

IndianOil (Mauritius) Ltd
Statement of Financial Position
As at 31 March 2022

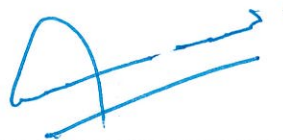
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	Note	2022 Rs	2021 Rs
ASSETS			
Non-current assets			
Property, plant and equipment	4	736,459,184	729,366,030
Right of use asset	5	129,742,484	93,907,012
Available-for-sale investments	6	86,727,238	31,500,000
Total non-current assets		952,928,906	854,773,042
Current assets			
Inventories	7	688,294,969	470,079,315
Trade and other receivables	8	541,973,432	374,258,093
Cash and cash equivalents	9	936,164,982	959,466,628
Total current assets		2,166,433,383	1,803,804,036
TOTAL ASSETS		3,119,362,289	2,658,577,078
EQUITY AND LIABILITIES			
Equity			
Stated capital	10	488,204,300	488,204,300
Retained earnings		1,564,655,740	1,344,795,563
Total equity		2,052,860,040	1,832,999,863
Liabilities			
Non-current liability			
Deferred tax liability	13	50,180,650	50,311,615
Lease liabilities	21	148,457,656	106,037,122
Total Non-current liabilities		198,638,306	156,348,737
Current liabilities			
Trade and other payables	11	788,635,090	648,340,949
Amount due to holding company	12	39,275,791	6,748,561
Tax liability	14	39,953,061	14,138,967
Total current liabilities		867,863,942	669,228,477
Total liabilities		1,066,502,249	825,577,215
TOTAL EQUITY AND LIABILITIES		3,119,362,289	2,658,577,078

The financial statements were approved by the Board of Directors and signed on its behalf by:



Mr K Navin Charan
 Managing Director



Mr R Gujadhur
 Director

Date: 24/06/2022

The notes on pages 31 to 51 form part of these financial statements.

**Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 March 2022**

	Note	2022 Rs	2021 Rs
Revenue		6,548,661,948	3,465,598,116
Cost of sales	7	<u>(6,056,082,767)</u>	<u>(3,164,741,406)</u>
Gross profit		492,579,181	300,856,710
Other operating income	15	96,717,919	41,095,029
Administrative expenses	16	(188,686,748)	(90,877,737)
Net finance income	17	3,450,345	13,094,749
Depreciation	4 & 5	(53,704,631)	(53,059,001)
Exchange difference		<u>67,783,634</u>	<u>19,834,266</u>
Profit/ (Loss) before tax		418,139,700	230,944,016
Income tax expense	14	<u>(51,818,232)</u>	<u>(19,248,890)</u>
Profit/ (Loss) for the year		366,321,468	211,695,126
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>366,321,468</u>	<u>211,695,126</u>
Earnings per share	19	75.03	43.36

The notes on pages 29 to 49 form part of these financial statements.

IndianOil (Mauritius) Ltd
Statement of Cash Flows
For the year ended 31 March 2022

	Note	2022 Rs	2021 Rs
Profit/ (loss) before tax		418,139,700	230,944,016
<i>Adjustments for:</i>			
Depreciation		53,704,631	51,496,054
Effect of IFRS 16		-	6,262,415
Interest expense		92,490	136,609
Interest income		(3,450,345)	(13,231,358)
Loss on Sales of Asset			
Loss on Write off of Property, plant and equipment		23,443	1,079,730
Operating profit/ (loss) before working capital changes		468,509,919	276,687,466
Change in inventories		(218,215,654)	198,464,670
Change in trade and other receivables		(167,715,339)	155,342,970
Change in trade and other payables		140,294,141	(365,007,810)
Change in amount due to holding company		32,527,230	1,317,955
Advance against equity		-	-
Cash flows from/ (used in) operating activities		255,400,297	266,805,251
Taxes paid		(28,156,183)	(25,884,840)
Net cash from/ (used in) operating activities		227,244,114	240,920,412
Cash flows from investing activities			
Change in Investments		(55,227,238)	-
Interest received		3,450,345	13,231,358
Proceeds from disposal of Assets			980,354
Acquisition of property, plant and equipment		(94,635,621)	(99,873,223)
Net cash used in investing activities		(146,412,514)	(85,661,510)
Cash flows from financing activities			
Lease obtained		42,420,534	-
Dividend paid		(146,461,290)	(97,640,870)
Interest paid		(92,490)	(136,609)
Net cash used in financing activities		(104,133,246)	(97,777,479)
Net change in cash and cash equivalents		(23,301,646)	57,481,422
Cash and cash equivalents at the beginning of the year		959,466,628	901,985,207
Cash and cash equivalents at the end of the year	9	936,164,982	959,466,628

The notes on pages 29 to 49 form part of these financial statements.

IndianOil (Mauritius) Ltd
Statement of Changes in Equity

	Stated capital Rs	Retained earnings Rs	Total equity Rs
At 01 April 2020	488,204,300	1,230,741,307	1,718,945,607
<i>Total comprehensive income for the year</i>			
Profit for the year	-	211,695,126	211,695,126
<i>Total comprehensive income for the year</i>	<u>-</u>	<u>211,695,126</u>	<u>211,695,126</u>
<i>Distributions to owner of the Company</i>			
Dividends paid	-	97,640,870	97,640,870
<i>Total distributions to owner of the Company</i>	<u>-</u>	<u>97,640,870</u>	<u>97,640,870</u>
At 31 March 2021	488,204,300	1,344,795,562	1,832,999,862
Total comprehensive income for the year			
Profit for the year		366,321,468	
Total comprehensive income for the year	<u>-</u>	<u>366,321,468</u>	<u>-</u>
Distributions to owner of the Company			
Dividends paid	-	146,461,290	
Total distributions to owner of the Company	<u>-</u>	<u>146,461,290</u>	<u>-</u>
At 31 March 2022	488,204,300	1,564,655,740	2,052,860,041

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2022

1. GENERAL INFORMATION

IndianOil (Mauritius) Ltd (the "Company") is a company incorporated in Mauritius as a private company with limited liability. The registered office and the principal place of business of the Company is situated at Mer Rouge, Port Louis, Mauritius. The Company is a fully owned subsidiary of IndianOil Corporation Limited which is incorporated in India.

The principal activity of IndianOil (Mauritius) Ltd is the selling and distribution of petroleum products.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and comply with Mauritius Companies Act and Financial Reporting Act.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

(b) Basis of measurement

The financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, the Company uses market observable data to the extent possible. If the fair value of an asset or a liability is not directly observable, it is estimated by the Company (working closely with external qualified valuers) using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset/ liability that market participants would take into account.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy are recognized by the Company at the end of the reporting period during which the change occurred.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2022

2. BASIS OF PREPARATION (CONTINUED)

(c) Functional and presentation currency

The financial statements are presented in Mauritian Rupees (Rs) which is the Company's functional currency.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from these estimates.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

Note 4– Useful lives estimates of property, plant and equipment

Note 13– Measurement of deferred taxation

Note 20 – Employee benefits

Note 21 – Operating lease classification

Note 23 – Measurement of contingent liabilities

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Application of new and revised International Financial Reporting Standards (IFRSs)

The following standards have been adopted by the Company for the first time for the year beginning on 01 April 2019:

IFRS 7, 'Financial Instruments - Disclosures'

IFRS 7, 'Financial Instruments - Disclosures', provide specific guidance for transferred financial assets to help management determine whether the terms of a servicing arrangement constitute 'continuing involvement' and, therefore, whether the asset qualifies for derecognition. It also provides additional disclosures relating to the offsetting of financial assets and financial liabilities that only need to be included in interim reports if required by IAS 34.

Amendments to IAS 1, 'Presentation of Financial Statements'

Amendments to IAS 1, 'Presentation of Financial Statements', are made in the context of the IASB's Disclosure Initiative, which explores how financial statement disclosures can be improved. The amendments provide clarifications on a number of issues, including materiality, disaggregation and subtotals, notes and other comprehensive income.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company*

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 01 April 2016, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except the following set out below:

IFRS 9 Financial Instruments

IFRS 9, 'Financial Instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income. For liabilities designated at fair value through profit or loss, IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting period beginning on or after 01 January 2018. Early adoption is permitted. The Company is yet to assess IFRS 9's full impact.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 'Revenue from Contracts with Customers', establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. It will supersede the following revenue standards and interpretations:

- IAS 18 Revenue
 - IAS 11 Construction Contracts
 - IFRIC 13 Customer loyalty
 - IFRIC 15 Agreements for the construction of real estate
- IFRIC 18 Transfers of assets from customers
- SIC 31 Revenue - Barter transactions involving advertising services

IFRS 15 will only cover revenue arising from contracts with customers. Under IFRS 15, a customer of an entity is a party that has contracted with the entity to obtain goods or services that are an output of the entity's ordinary activities in exchange for consideration. Unlike the scope of IAS 18, the recognition and measurement of interest income and dividend income from debt and equity investments are no longer within the scope of IFRS 15. Instead, they are within the scope of IAS 39 Financial Instruments: Recognition and Measurement.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company (continued)*

IFRS 15 Revenue from Contracts with Customers (continued)

The new revenue standard has a single model to deal with revenue from contracts with customers. Its core principle is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Company intends to adopt IFRS 15 no later than the accounting period beginning on or after 01 January 2018.

IFRS 16 Leases

IFRS 16 was published in January 2016. It sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, ie the customer ('lessee') and the supplier ('lessor'). IFRS 16 replaces the previous leases Standard, IAS 17 Leases, and related Interpretations. IFRS 16 has one model for lessees which will result in almost all leases being included on the Statement of Financial Position. No significant changes have been included for lessor.

The standard is effective for annual periods beginning on or after 01 January 2020, with early adoption permitted only if the entity also adopts IFRS 15. The transitional requirements are different for lessees and lessors. The Company is assessing the potential impact on the financial statements resulting from the application of IFRS 16.

There are no other standards and IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

(c) *Property, plant and equipment*

Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes all costs directly attributable to bringing the asset to working condition for their intended use.

Depreciation is calculated to write off the cost of the assets on a straight line basis over the expected useful lives of such assets. Additions during the year bear a due proportion of the annual depreciation charge. The annual depreciation rates used for the purpose are as follows:

Leasehold property	19 1/4 years
Building, plant and equipment	2 – 10%
Furniture & fittings	10%
Office & laboratory equipment	15 – 25%
Motor vehicles	10%

Freehold land and assets in progress are not depreciated. Gains and losses on disposal of property, plant and equipment are determined by reference to their written down value and are included in determining operating profit.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Available-for-sale investments

Available-for-sale investments are non-derivatives financial assets included in non-current assets unless management intends to dispose of the investment within twelve months of the reporting date.

Regular purchases and sales of investments are recognised on the trade-date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Available-for-sale investments are subsequently carried at fair value.

Changes in the fair value of available-for-sale investments are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in other comprehensive income are included in profit or loss as gains and losses from 'investment securities'. Dividends on available-for-sale equity instruments are recognised in the statement of profit or loss and other comprehensive income when the Company's right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs. Equity securities for which fair values cannot be measured reliably are recognised at cost less impairment.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

(e) Foreign currencies

Transactions in foreign currencies are translated to the reporting currency at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date and gains or losses on translation are recognised in profit or loss.

(f) Trade and other receivables

Trade and other receivables are recognized initially at fair value and subsequently at amortised cost using the effective interest method, less any impairment. Trade and other receivables in the financial statements are measured at cost which is not materially different from amortised cost.

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of provision is recognized in the statement of profit or loss and other comprehensive income.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Operating lease payments are recognized as expenses on a straight-line basis over the lease term. Contingent rentals arising under the operating leases are recognized as expenses in the year in which they are incurred.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories for all products, other than Lubricants, is determined on 'First in First Out' basis and for Lubricants based on the weighted average principle. Cost includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(i) Cash and cash equivalents

Cash comprises of cash at bank and cash in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(j) Employee Benefits – provision for severance allowance

The present value of severance allowance in respect of Employment Rights Act 2008 gratuities is recognised in the statement of financial position as a non-current liability where material. The annual provisions are recognised as an expense.

State pension plan

Contributions to the National Pension Scheme are expensed to the statement of profit or loss and other comprehensive income in the period in which they fall due.

(k) Impairment

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Provisions

A provision is recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(m) Trade and other payables

Trade and other payables are stated at fair value and subsequently at amortised cost using the effective interest method.

The effective interest method calculates the amortised cost of a financial liability and allocates interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid that form an integral part of the effective interest rate, transaction costs and other provisions or discounts) through the expected life of the financial liability, to the net carrying amount at initial recognition. The interest amount would be immaterial for short-term payables.

The carrying amount of trade and other payables approximates their fair values.

(n) Revenue

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

(o) Net finance income

Net finance income consists of bank interest income/ expense that are recognised in the statement of profit or loss and other comprehensive income.

(p) Expenses

All expenses are recognised in the statement of profit or loss and other comprehensive income on an accrual basis.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2022

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year using tax rates enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(r) Corporate social responsibility (CSR) fund

The Company has set up a CSR fund equivalent to 2% of its chargeable income derived during the preceding financial year to:

- implement an approved programme by the Company;
- implement an approved programme under the National Empowerment Foundation; or
- finance an approved Non-governmental Organisation.

(s) Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if they have the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in making financial and operating decisions, or vice versa, or where the Company is subject to common control or common significant influence. Related parties may be individuals or other entities.

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2022

4. PROPERTY, PLANT AND EQUIPMENT

	Leasehold property Rs	Freehold property Rs	Plant & equipment Rs	Furniture & fittings Rs	Office & lab equipment Rs	Motor vehicles Rs	Assets in progress Rs	Total Rs
COST								
As at 01 April 2020	2,694,640	7,403,750	1,022,003,235	3,874,919	30,121,647	6,456,522	121,644,588	1,194,199,300
Additions			41,509,311		739,101	255,000	57,369,811	99,873,223
Transfer to/ from AIP			4,759,762		104,866			4,864,628
Disposal/ Write Off			62,894,551				62,894,551	
As at 31 March 2021	2,694,640	7,403,750	1,121,647,335	3,874,919	30,755,881	6,711,522	116,119,848	1,289,207,894
Additions			24,051,146		900,464	1,986,087	31,862,451	58,800,147
Disposal/ Write Off						104,301		104,301
Transfer to/ from AIP								
As at 31 March 2022	2,694,640	7,403,750	1,145,698,481	3,874,919	31,552,044	8,697,609	147,982,298	1,347,903,740
ACCUMULATED DEPRECIATION								
As at 01 April 2020	2,580,277	-	476,998,103	3,330,743	26,967,458	1,273,778	-	511,150,357
Charge for the year	114,360		48,783,783	107,609	1,763,026	727,277		51,496,054
Transfer to AIP								
Disposal/ Write Off			2,734,399		70,149			2,804,548
As at 31 March 2021	2,694,637	-	523,047,486	3,438,352	28,660,334	2,001,055	-	559,841,863
Charge for the year	3		49,505,655	77,330	1,156,339	932,261		51,671,588
Transfer to AIP								
Disposal/ Write Off							68,893	68,893
As at 31 March 2022	2,694,640	-	572,553,141	3,515,682	29,747,780	2,933,316	-	611,444,558
NET BOOK VALUE								
As at 31 March 2022	0	7,403,750	573,145,340	359,237	1,804,264	5,764,293	147,982,298	736,459,182
As at 31 March 2021	3	7,403,750	598,599,849	436,567	2,095,547	4,710,467	116,119,848	729,366,031

5. RIGHT TO USE ASSET

	<u>2022</u>	<u>2021</u>
	Rs	Rs
Gross Block ROU Asset	97,032,905	97,032,905
Lease Modifications IFRS16	37,868,518	
	134,901,423	97,032,905
Accumulated Depreciation as at March 2021/2020	3,125,892	1,562,946
Depreciation for Year	2,033,046	1,562,946
Net Block Value	129,742,484	93,907,012

The Company leases land at Mer Rouge from the Mauritius Ports Authority. The land was used to construct storage facilities for Petroleum Product.

The Company does not have the option to purchase the land at the end of the lease period. Lease modifications was applied in accordance with IFRS16 due to revised rentals.

6. INVESTMENTS

	2022	2021
	Rs	Rs
Cost:		
At start of year	31,500,000	31,500,000
Addition	55,227,238	-
At end of year	86,727,238	31,500,000

Mer Rouge Oil Storage Terminal is commercially commissioned in April 18. There is no loss of capital is considered, cost of the investment has been treated as the fair value. MUR 86,727,238 is contributed towards capital requirement of Terminal. IOML hold 20% interest in JV company i.e Mer Rouge Oil Storage Terminal Co Ltd.

7. INVENTORIES

	2022	2021
	Rs	Rs
Inventory of petroleum product	688,294,969	470,079,314
Opening inventory	470,079,314	668,543,984
Purchases	6,083,783,147	2,860,772,145
Closing inventory	(688,294,969)	(470,079,314)
Cost of inventory included in cost of sales	5,865,567,492	3,059,236,815
Direct cost	190,515,275	105,504,591
Cost of sales	6,056,082,767	3,164,741,406

8. TRADE AND OTHER RECEIVABLES

	2022	2021
	Rs	Rs
Trade receivables	510,043,486	344,890,731
Provision for doubtful Debts	(6,657,669)	(4,925,026)
	503,385,817	339,965,705
Prepayments	827,705	1,182,466
Other receivables	37,759,910	33,109,922
	541,973,432	374,258,093

9. CASH AND CASH EQUIVALENTS

	2022	2021
	Rs	Rs
Cash at bank	936,158,869	959,438,145
Cash in hand	6,113	28,483
	936,164,982	959,466,628

10. STATED CAPITAL

	2022 Rs	2021 Rs
<i>Issued and fully paid</i>		
4,882,043 Ordinary shares of Rs 100 each	488,204,300	488,204,300

11. TRADE AND OTHER PAYABLES

	2022 Rs	2021 Rs
Trade payables	775,024,877	625,984,855
Other payables and accruals	13,610,213	20,084,094
	788,635,090	646,068,949

12. AMOUNT DUE TO HOLDING COMPANY

	2022 Rs	2021 Rs
Current account (holding company)	9,578,492	2,713,359
Purchases account (holding company)	29,697,299	4,035,202
	39,275,791	6,748,561

14. INCOME TAX EXPENSE

	2022 Rs	2021 Rs
Current tax		
Income tax provision for the year @ 15%	37,224,929	10,713,237
Income tax provision for the year @ 3%	5,856,566	4,139,179
Corporate social responsibility	8,867,701	4,187,884
Deferred tax (credit)/ expense	(130,965)	208,590
		-
Tax recognised in the Statement of Profit or Loss and Other Comprehensive	51,818,231	19,248,890
<i>Reconciliation of effective tax:</i>		
Profit/ (Loss) before tax	418,139,700	230,944,015
Income tax expense at 15% (2021: 15%)	62,720,955	34,641,602
Export credit at 12%	(23,426,264)	(16,556,716)
Effect of non-deductible expenses	9,451,660	86,652,580
Effect of allowances not included in profit or loss	(5,664,856)	(89,885,051)
Effect of recognised temporary differences	(115,557)	208,590
CSR on recognised temporary differences	(15,408)	-
Corporate social responsibility	8,867,702	4,187,884
Income Tax Underprovision		-
Tax recognised in the Statement of Profit or Loss and Other Comprehensive	51,818,232	19,248,890
Deferred tax liability		
At start of year	50,311,616	50,103,023
Deferred tax expenses recognised in current year	(130,965)	208,593
At end of year	50,180,651	50,311,616

IndianOil (Mauritius) Ltd
Notes to the Financial Statements
For the year ended 31 March 2022

13. INCOME TAX EXPENSE (CONTINUED)

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2022	2021	2022	2021	2022	2021
	Rs	Rs	Rs	Rs	Rs	Rs
Property, plant and equipment	-	-	52,084,558	51,611,610	52,084,558	51,611,610
Provision for doubtful debt	1,131,804	837,254	-	-	1,131,804	837,254
Employee retirement benefits	772,103	462,740	-	-	772,103	462,740
Net deferred tax (assets)/ liabilities	1,903,907	1,299,994	52,084,558	51,611,610	50,180,651	50,311,616

Movement in temporary differences during the year:

	2022	2021
	Rs	Rs
Property, plant and equipment	472,948	(2,181,125)
Provision for doubtful debt	(294,550)	1,937,178
Employee retirement benefits	(309,363)	452,540
	(130,965)	208,593

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Notes to the Financial Statements
for the year ended 31 March 2022
INCOME TAX EXPENSE (CONTINUED)

	2022	2021
	Rs	Rs
Current tax liability/ (receivable)		
At start of year	14,138,967	20,983,507
Income tax payable	43,081,495	14,852,416
CSR Payable	8,867,701	4,187,884
Tax paid during the year	(3,050,886)	(18,928,806)
CSR paid during the year	(5,163,826)	(2,054,701)
Tax paid in advance under APS	(11,995,866)	(4,901,333)
Late payment - APS	(5,924,524)	
Tax Refund Received during the year		
Net current tax liability/ (receivable)	39,953,061	14,138,967
	2022	2021
	Rs	Rs
OTHER OPERATING INCOME		
Fuel Storage Fee Juhi	(60,868,411)	(13,814,157)
MOST -Management charges & ROI	(9,348,016)	(3,589,500)
COCO/NFR Income	(5,535,256)	(6,138,282)
Equipment Fee/Retail Margin sharing	(3,645,907)	(3,275,251)
Other Misc Income	(17,320,330)	(14,277,839)
Total	(96,717,919)	(41,095,029)
	2022	2021
	Rs	Rs
ADMINISTRATIVE EXPENSES		
Audit Fees	200,000.00	200,000
Bank Charges	1,596,698.94	817,679
Board Meeting Exps	402,738.34	9,825
Books & Periodicals	22,515.00	15,160
Consultancy-Professional Charges	903,197.00	1,301,285
Directors Remuneration	240,000.00	240,000
Director's Sitting Fee	120,000.00	240,000
Electricity & Water Charges	2,670,011.00	2,365,153
Entertainment Expenses	141,078.18	103,780
Fees & Subscription	973,035.34	141,061
Handling & House Keeping	1,291,891.90	958,379
Insurance Expenses	6,643,603.72	6,874,720
Lease Rent - RO	2,006,459.78	2,138,768
Legal and Arbitration Exps	284,785.22	256,043
Loss on Write Off / Disposal of Fixed Assets	60,737,573.47	1,079,730
Medical Expenses	470,174.86	250,390
Misc Expenses	254,262.05	11,426
Overseas travelling	-	
Postage & Courier	8,483.25	19,411
Printing & Stationery	623,196.98	315,491
RATES & TAXES	1,413,613.32	837,076
Rent - Residential	1,638,602.50	1,519,000
Rent - Terminal(Lease)	13,357,862.06	9,951,728
Repairs & Maintenance	1,816,974.42	1,823,588

16. ADMINISTRATIVE EXPENSES (CONTINUED)	2022	2021
	Rs	Rs
Repairs & Maintenance - RO&CP	9,736,327	8,605,476
Repairs & Maintenance - Terminal	11,886,465	8,893,599
Salary - MUR	16,950,424	12,854,748
Salary - USD	32,021,738	21,872,357
Secretary Fee	76,000	63,000
Security Service Charges	1,750,647	1,849,216
Staff Welfare	1,171,901	643,656
Telephone Exps	1,245,160	727,295
Transfer Expenses	1,962,611	225,000
Trav - Home Travel IOC	2,138,644	47,374
Vehicle Expenses	1,330,229	1,542,202
Selling Expenses	10,599,846	2,084,120
	188,686,748	90,877,737

17. NET FINANCE INCOME	2022	2021
	Rs	Rs
Bank interest income	3,542,835	13,231,358
Interest paid on bank overdraft	-	136,609
	3,450,345	13,094,749

18. Key management personnel compensation	2022	2021
	Rs	Rs
Directors' remuneration – part time	360,000	480,000
Directors' emoluments – full time	7,285,005	6,060,930
Staff cost	24,736,733	15,835,006
Average number of employees during the year	31	30

19. EARNINGS PER SHARE

Earnings per share is based on the profit for the year of Rs 366,321,468 (2021: Profit of Rs 211,695,126) and 4,882,043 ordinary shares.

During the year under review, the Company entered into the following transaction with related parties. The nature and volume of the transactions are as follows:

(i) Balances at year end with holding company	2022	2021
	Rs	Rs
Amount due to IndianOil Corporation Ltd:		
Current and purchases account	39,275,791	6,748,561

19. RELATED PARTY TRANSACTIONS (CONTINUED)

	2022	2021
(ii) Transactions during the year with holding company		
Purchases from holding company	436,958,104	299,528,526

(iv) **Pricing policies**

The above transactions were conducted on market terms and conditions. The directors have ensured that all such activities were undertaken on an arm's length basis. All amounts owed were unsecured.

(v) **Key management personnel compensation**

Refer to note 17.

20. EMPLOYEE BENEFITS

(i) **Pension obligations**

The Company does not operate any pension plan for its employees on retirement.

(ii) **Severance allowance**

Under the Employment Rights Act 2008, employees are entitled to severance allowance on reaching the retirement age. Full provision for payment of severance allowance has been made in the financial statements.

The amount recognised in profit or loss in respect of the employees retirement severance allowance provision is as follows:

	2022 Rs	2021 Rs
Current service cost	1,819,785	60,000

The amount included in the statement of financial position for employees retirement severance allowance provision is as follows:

	2022 Rs	2021 Rs
Present value of employees retirement severance allowance provision	4,541,785	2,722,000

21. LEASE LIABILITIES

	2022	2021
	Rs	Rs
Analysed as follows:		
- Non-current	144,408,706	102,946,252
- Current	4,048,950	3,090,870
	148,457,656	106,037,122

22. FINANCIAL RISK MANAGEMENT

Fair values

The fair values for financial assets and liabilities together with the carrying amounts shown in the statement of financial position are as

Assets and liabilities not carried at fair value but which fair value is disclosed below:

	Level 1 MUR	Level 2 MUR	Level 3 MUR	Total MUR
31 March 2022				
Financial assets				
Trade and other receivables	-	-	541,973,432	541,973,432
Cash and cash equivalents	936,164,982	-	-	936,164,982
Total financial assets	936,164,982	-	541,973,432	1,478,138,414
Financial liabilities				
Amount due to holding company	-	-	39,275,791	39,275,791
Trade and other payables	-	-	788,635,090	788,635,090
Total financial liabilities	-	-	827,910,881	827,910,881

22. FINANCIAL RISK MANAGEMENT (CONTINUED)

31 March 2021	Level 1 MUR	Level 2 MUR	Level 3 MUR	Total MUR
<i>Financial assets</i>				
Trade and other receivables	-	-	374,258,094	374,258,094
Cash and cash equivalents	959,466,628	-	-	959,466,628
<i>Total financial assets</i>	959,466,628	-	374,258,094	1,333,724,722
<i>Financial liabilities</i>				
Amount due to fellow subsidiary	-	-	-	-
Amount due to holding company	-	-	6,748,561	6,748,561
Trade and other payables	-	-	648,340,949	648,340,949
<i>Total financial liabilities</i>	-	-	655,089,510	655,089,510

The assets and liabilities included in the above table are carried at cost; their carrying values are a reasonable approximation of fair

The Company's activities are exposed to market risks (including currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management policy aims at reducing potential adverse impact on its financial performance.

(a) Market risk

(i) Currency risk

The Company has substantial transactions with global customers and therefore, exposed to currency risk arising from currency exposures mainly with respect to the US Dollar (USD). Currency risk arises from future commercial transactions due to the credit period enjoyed by the customers. The payments are made in USD in respect of bunker and aviation products supplied by State Trading Corporation, for which the payments are also obtained in USD from the global customers uplifting the products from the Company. The Company operates two USD accounts used for incoming payments from customers and outgoing payments to State Trading Corporation. It is the Company's policy not to carry out any 'hedging'.

Currency profile

The currency profile of the Company's financial assets is summarised as follows:

31 March 2022	Financial assets
	Rs
Mauritian Rupee	565,169,600
United States Dollar	912,968,814
Total	1,478,138,414
31 March 2021	Financial assets
	Rs
Mauritian Rupee	515,971,389
United States Dollar	817,753,333
Total	1,333,724,722

22. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)

(i) *Currency risk (continued)*

Currency profile (continued)

The currency profile of the Company's financial liabilities is summarised as follows:

31 March 2022	Financial liabilities
	Rs
Mauritian Rupee	445,761,215
United States Dollar	382,149,666
Total	827,910,881
31 March 2021	Financial liabilities
	Rs
Mauritian Rupee	369,669,249
United States Dollar	285,420,261
Total	655,089,510

Sensitivity analysis

Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 5% increase and decrease in Rs against USD. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency dominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or loss and equity where Rs strengthens 5% against the relevant currency. For a 5% weakening of Rs against the relevant currency, there would be an equal and opposite impact on profit or loss and equity, and the balances below would be negative.

	Profit or loss and equity 2022 Rs	Profit or loss and equity 2021 Rs
Impact of currency :		
USD	26,540,957	26,616,654

(ii) *Price risk*

The price risk for the Company is limited to its sale in local market where prices and margins are controlled by the government. This risk is not significant for the Company at present. The Price for JET A1 is set by STC and same price is passed on to the

	YE Mr 19	YE Mr 20	YE Mr 21	YE Mr 22
Adventitious Gain/(Loss)	26.85	-	93.43	98.5

22. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Market risk (continued)
(iii) Interest rate risk

The Company's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and
At the reporting date, the interest rate profile of the Company's interest-earning/ bearing financial instruments was as follows:

	2022 Rs	2021 Rs
Cash and cash equivalents		
Fixed rate instruments		
Variable rate instruments	936,164,982	901,985,207

Sensitivity analysis

The following table indicates the approximate change in the Company's post-tax profit or loss and equity in response to

	Increase/ (decrease) in interest rates	Effect on post tax profit or loss and equity	
		2022 Rs	2021 Rs
Increase in interest rate	+1%	7,957,402	7,666,874
Decrease in interest rate	-1%	(7,957,402)	(7,666,874)

(b) Credit risk

Credit risk arises from credit exposures to various customers to whom the credit facilities are extended. The Board has approved a credit policy wherein modalities have been laid down for setting individual credit limits based on internal ratings.

Credit risk arises from cash and cash equivalents and trade receivables.

The Company generally does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

The bank balances are held with reputable institutions, thus the credit risk is minimal. The ageing of trade receivables at the reporting date was:

	2022		2021	
	Gross Rs	Impairment Rs	Gross Rs	Impairment Rs
Within Credit	503,385,817		339,965,705	
Beyond Credit	6,657,669	6,657,669	4,925,026	4,925,026
	510,043,486	6,657,669	344,890,731	4,925,026

22. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

The maximum exposure to credit risk for trade receivables by type of counterparty was as follows:

	Carrying amount	
	2022	2021
	Rs	Rs
Wholesale customers	503,385,817	339,965,705

Following the watershed meeting held by the administrators of Air Mauritius, the Board approved the write off of bad debts of Rs60,714,130 during the year.

(c) Liquidity risk

Liquidity risk is a risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach

The Company maintains sufficient balances in their bank accounts denominated in Mauritian Rupee and United State Dollar. The Company has access to "funding" through committed credit facilities.

The table below analyses the Company's financial liabilities relevant maturity groupings based on the remaining period as on the remaining period from 31 March 2018. The amounts disclosed in the table are contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than one Rs	Repayable on demand Rs	Total Rs
31 March 2022			
Financial liabilities			
Trade and other payables	788,635,090	-	788,635,090
Amount due to holding company	-	39,275,791	39,275,791
Total financial liabilities	788,635,090	39,275,791	827,910,881
31 March 2021			
<i>Financial liabilities</i>			
Trade and other payables	648,340,949	-	648,340,949
Amount due to holding company	-	6,748,561	6,748,561
<i>Total financial liabilities</i>	<i>648,340,949</i>	<i>6,748,561</i>	<i>655,089,510</i>

Deferred tax liabilities have been excluded from the above analysis.

(d) Capital risk management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern so as to provide returns to all stakeholders and to optimise the cost of capital.

The Company monitors its capital on the basis of the gearing ratio. The ratio is calculated as total debt divided by total capital. Total capital is calculated as 'equity' as shown in the statement of financial position plus total borrowings.

22. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Capital risk management (continued)

	2022 Rs	2021 Rs
Total borrowings	-	-
Total equity	2,052,860,040	1,832,999,863
Total capital employed	2,052,860,040	1,832,999,863
Gearing ratio	-	-

The Company does not have any borrowings and consequently is not geared.

23. CONTINGENT LIABILITIES

The Company has issued several bank guarantees amounting to Rs (2022: Rs 104,568,812) in favour of various third parties. Apart from this, the Company does not have any other contingent liabilities.

24. CAPITAL COMMITMENTS

The Company has capital commitments amounting to Rs 44,829,904 as at 31 March 2022.

STATEMENT OF COMPLIANCE
(Section 75 (3) of the Financial Reporting Act)

Name of PIE: INDIANOIL (MAURITIUS) LTD

Reporting period: year ended 31 March 2022

We, the Directors of IndianOil (Mauritius) Ltd (the PIE), confirm to the best of our knowledge that the PIE has complied with all of its obligations and requirements under the Code of Corporate Governance except with the following sections:

1. Section 2.2.3 - Number of executive directors on Board

There is only one Executive Director on the Board of Directors. The Board of Indian Oil Corporation Ltd (the holding company) is of the view that considering the size of the PIE (its fully owned subsidiary), the appointment of only one Executive Director – the Managing Director – is sufficient. Also, the Management Team of the PIE comprises of a couple of other qualified and experienced expatriates besides the Managing Director, e.g., the Vice President (Finance), Sr Vice President (Marketing Operations) & Vice President (Operation). These employees are in attendance at meetings of the full Board of Directors or Corporate Governance or Audit Committee, as and when required.

2. Section 2.10.3 - Assessment of Board and Directors:

For the year under review, no evaluation of the Board or its Committees was carried out. The Directors forming part of the Board of the PIE, especially those who are members of Board Committees, have been appointed in the light of their wide range of skills and competence acquired through several years of working experience and professional background.


.....
K Navin Charan
Managing Director


.....
Mr. Ramapatee Gujadhur
Director, IOML

Date:

24/06/2022

Company Secretary's Certificate

In accordance with Section 166 (d) of the Companies Act 2001, I certify that to the best of my knowledge and belief, the Company has filed with the Registrar of Companies, for the financial year ended 31st March 2022, all such returns as are required of the Company under the Companies Act 2001.



Parker Randall Corporate Management Services Ltd
Company Secretary

Date: 24 JUN 2022