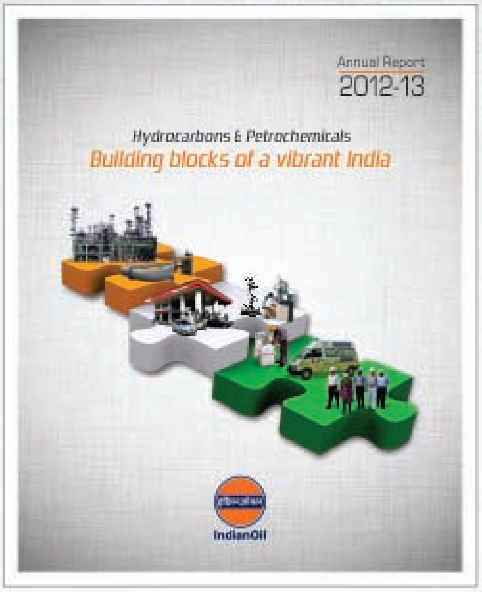
Annual Report
2012-13

Hydrocarbons & Petrochemicals

Building blocks of a vibrant India

IndianOil



Hydrocarbons & Petrochemicals

Building blocks of a vibrant India

IndianOil, harnessing frontier technologies... pledging resources as building blocks of India... touching a billion lives with its spectrum of Petroleum and Petrochemical products... caring for the environment and community...striving for energy assurance and independence... setting standards of excellence, in its commitment to serve the nation.

Contents

इंडियनऑयल

Indian Oil Corporation Limited

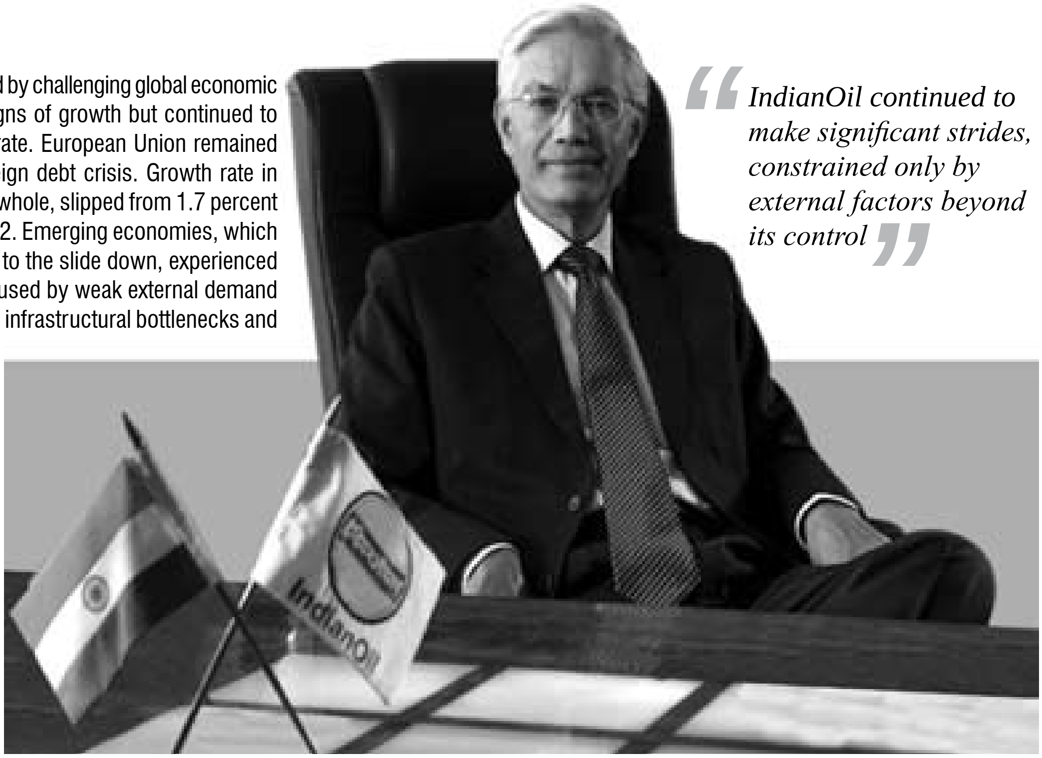
Registered Office: IndianOil Bhavan,
G-9, Ali Yavar Jung Marg,
Bandra (East), Mumbai - 400 051

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

CHAIRMAN'S MESSAGE

Dear Members,

The year 2012-13 was marked by challenging global economic environment. US showed signs of growth but continued to struggle with a low growth rate. European Union remained under the grip of the Sovereign debt crisis. Growth rate in advanced economies on the whole, slipped from 1.7 percent in 2011 to 1.2 percent in 2012. Emerging economies, which so far had shown resistance to the slide down, experienced broad based deceleration caused by weak external demand and domestic issues such as infrastructural bottlenecks and capacity constraints. Growth in emerging economies, as a whole, slowed down from 6.2 percent in 2011 to 4.9 percent in 2012. At home, our GDP growth fell to a decade low of 5 percent. The year was mired by concerns on macro-economic stability due to elevated Current Account Deficit, high fiscal deficit, and high inflation despite some decline. The slide in rupee further added to the concerns. Despite the all round drop in growth, it is expected that 2013 will see some consolidation in global growth. India's growth rate is also likely to improve before stepping up further in the later years.



"IndianOil continued to make significant strides, constrained only by external factors beyond its control"

On the global oil and gas sector front, while moderation in crude oil prices brought in some respite, they remained above the US$100/bbl mark and geo-political tensions continued to pose risks. During the year, significant gas discoveries were announced in East Africa. The unconventional oil and gas story that unfolded in US made steady progress. All these developments have opened up new vistas for the global energy sector. At home, while domestic crude oil production declined, refinery throughput and product consumption recorded strong growth of 7 percent and 4.9 percent respectively, leading to continued high oil imports. The benefit of lower crude oil prices was frittered away by the depreciating rupee. As regards gas, the declining domestic production constrained consumption, led to a fall in domestic gas consumption despite LNG imports. However, on the policy front, the year was marked by some decisive policy changes. Introduction of dual pricing policy for bulk and retail diesel in January 2013 and capping of subsidized LPG cylinders in September 2012 are likely to have their impact on the consumption pattern of these products. For marketing companies like us, these changes are symptomatic of increase in competition levels in the Indian petroleum products market.

Energising India

In the backdrop of a mixed economic landscape, IndianOil continued to make significant strides, constrained only by external factors beyond its control. The Corporation recorded highest turnover of ₹ 414,909 crore growing by 11 percent on year-on-year basis. At 88th position in the Global *Fortune* 500 list of the world's biggest corporations, it continued to be the highest ranking company from India. Net Profit rose to ₹ 5005 crore, registering a growth of 26.6 percent over the previous year. Refineries exceeded 100 percent capacity utilization for sixth consecutive year in a row, improved distillate yield to a record 78.1 percent and achieved the best levels of energy efficiency so far by recording the lowest MBN of 56.3 during the year. Domestic product sales scaled up to a record level of 68.76 MMT. A record level of 1910 new retail outlets were commissioned during the year with continued rural thrust in the form of the Kisan Seva Kendras (KSK). The total number of KSKs surpassed the 5000 mark. Product Pipeline throughput rose to 28.09 MMT. In the relatively new businesses, viz. petrochemicals and gas, the Corporation recorded highest ever sales and strong growth rates. The Corporation strengthened its market presence in the segment and emerged as the second largest petrochemicals player in the country. Its position in the gas market was further fortified with an eye on future growth. The E&P segment of the Corporation also showed progress with Niobrara Shale assets in the US, returning small but positive revenues and the Carabobo asset in Venezuela also showing first oil from first of its two wells.

"*The Corporation strengthened its market presence in the segment and emerged as the second largest petrochemicals player in the country.*"

The healthy financials achieved by the Corporation demonstrated the commitment of the Corporation to manage its challenges and stride forward on the path of growth. During the year, the Corporation reeled under the burden of over ₹ 85,000 crore of gross under-recoveries, which caused significant dent on its profitability in the form of borrowing cost. On top of this, the Corporation was also saddled with unmet under-recoveries of over ₹ 1000 crore (inclusive of uncompensated losses on MS sales). Despite the challenge of financing such high level of under-recoveries, the Corporation achieved excellent results in tying up competitive funding and became the first Indian Corporate to successfully price long-term bonds denominated in Singapore dollars (SGD), thereby opening a new window for Indian Corporates. Through this deal, the Corporation raised 400 million Singapore dollar loan at very competitive rates and was also felicitated by IFR Asia with the Indian Market Capital Deal of the Year 2012 award. Such efforts are a testimony of the Corporation's commitment to emerge stronger from these challenging times.

The Corporation continues to be influenced by a host of external factors ranging from global economic and geo-political upheavals, inherently uncertain energy markets and closer home the uncertain compensation mechanism and interventions in the product pricing schedules. The Corporation has managed these challenges well during the year and is committed to deliver growth with sharp focus on

IndianOil Refinery, Koyali

IndianOil Retail Outlet, Diu

operational efficiency and cost optimization. Some steps such as the commissioning of Integrated Crude Oil Handling Facilities at Paradip were taken during the year. This facility has enabled the Corporation to receive the entire crude oil requirement of Barauni, Haldia, Bongaingaon Refineries and the upcoming Paradip Refinery through Very Large Crude Carriers (VLCCs) and thereby reduce the supply chain input costs. An important lever in the pursuit of cost optimization is achieving reduction in cost of sourcing crude oil, the single largest component of cost. The Corporation has strategized to source and process cheaper and opportunity crude oil varieties. The endeavours so far have resulted in processing 53.3 percent of high sulphur crude oil in 2012-13 compared to 49.2 percent in 2011-12, as also enlargement of the crude oil basket to include high TAN and heavy crudes with API as low as 21^{0}. Presently, the share of opportunity crudes (Heavy & High TAN) is about 13 percent and includes processing of Maya crude and heavy Rajasthan crude. This is targeted to be doubled to over 26 percent once Paradip Refinery is operational. Further, towards achievement of this objective, besides augmenting the capability of refineries to process such crude oils, investments are also being made for augmenting the capacity of major pipelines to transport heavy crudes.

In the marketing and distribution operations, cost optimization is directly linked to the efficiency of infrastructure. LPG transportation is an area where substantial expansion in the pipeline network is required for bringing cost efficiency. Presently, our Paradip-Haldia-Durgapur and Ennore-Trichy-Madurai LPG pipeline projects are under implementation. A number of other prospective LPG pipelines have also been identified, which are under study. Infrastructure rationalization to use the most efficient option and thrust on technology solutions such as automation to garner productivity gains and cost reduction is the key focus in the marketing segment. Towards this end, 1600 more retail outlets were automated during the year taking the total number of automated retail outlets to 4377. By 2016-17, the automation drive is set to encompass more than 12,500 outlets.

The Corporation already enjoys significant advantage in its present form in the Indian market. Its continued thrust on rural markets, which await shift from traditional to modern fuels presents significant growth opportunities. The Corporation's low-cost KSK model has emerged as a major strength towards meeting the energy requirements of the rural market. Between 2008-09 to 2012-13 sales through KSKs grew at a CAGR of over 30 percent resulting in almost three fold increase in sales. These developments provide handsome opportunities to the Corporation for continued and healthy growth.

With enhanced & intense focus on efficiency improvement and cost optimization, coupled with country wide reach of its refining and marketing network, the Corporation is set to emerge significantly stronger by harnessing hitherto untapped resplendent opportunities offered by growing Indian market.

The investment programme of the Corporation during the XII Plan period, captures some of these opportunities and envisages to undertake projects worth over ₹ 56,000 crore across the energy value chain. The currently under implementation 15 MMTPA refinery in Paradip has reached an advanced stage of completion. In addition, a number of other major projects such as Paradip-Raipur-Ranchi product pipeline, augmentation of Paradip-Haldia-Barauni pipeline, Paradip-Haldia-Durgapur pipeline, new marketing terminal at Paradip, LPG facilities at Paradip, debottlenecking of Salaya-Mathura Pipeline and FCC revamp at Mathura are at various stages of implementation.

IndianOil Paradip-Haldia-Barauni Pipeline

Indian Petrochemicals market has high growth potential and has been growing at impressive rates. Consumption of Polyethylene (PE) is projected to scale up from 3kg/per person presently to 8kg/person in 2035 and Polypropylene consumption is projected more than triple from 2.2kg/person presently to 7kg/person in 2035. This presents significant opportunities in the Petrochemicals segment. The Corporation's Butadiene Extraction Unit and Butene-1 project at Panipat are under steady progress. The Corporation is also setting up country's first Styrene Butadiene Rubber (SBR) unit in Panipat, which has reached advanced stages of completion.

Bagging of PROPEL products

The increased global gas supplies and India's large energy appetite present sizeable growth opportunities in the Indian gas market as well. Gas demand in India is projected to grow at a CAGR of 4.2 percent (2010-2035) way above 1.6 percent CAGR for the world. The Corporation envisages tapping these opportunities. Work in regard to the upcoming LNG import terminal at Ennore is progressing steadily. Further, the Corporation is part of a consortium that has been awarded construction and operations of three cross-country natural gas pipelines. These gas pipelines would open windows for expansion of gas markets in the Country.

> *"The Corporation is set to emerge significantly stronger by harnessing hitherto untapped resplendent opportunities offered by growing Indian market."*

The recent breakthroughs in the global E&P sector are expected to boost the Corporation's aspirations in the E&P space. The Corporation has been aggressively scouting for suitable investment opportunities.

IndianOil R&D Centre, Faridabad

IndianOil is amongst the pioneers in recognizing the importance of innovation as a key differentiator. The Corporation's long held thrust on innovation through a concerted Research & Development effort is a major source of competitive advantage. IndianOil R&D has been expanding its scope to petrochemicals, solar energy and bio-energy as well. During the year, IndianOil R&D Centre commissioned India's first Integrated lignocellulosic biomass to ethanol pilot plant with the technological support from National Renewable Energy Laboratory of USA.

At IndianOil, we are committed to nurturing and developing our human resource asset, which we believe is a major source of value creation. In pursuit of this, a number of initiatives such as introduction of Leadership Centres/multi-rater feedback mechanism for measurement of performance in succession management and leadership management; employee engagement surveys etc. were implemented during the year. Going ahead, the challenge is to hone our human capital to meet the challenges of higher market competition levels and to develop skill sets for our new businesses.

Last but not the least, I would like to reassure all our shareholders that the Corporation is working relentlessly to tide over the various challenges that it is confronted with. Your continued support is a major driver for us and I would like to express our gratitude to each one of you for the trust you have reposed in your Corporation and promise you Corporation's enhanced performance.

R S Butola
Chairman

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 **54th Annual General Meeting** of the Members of **INDIAN OIL CORPORATION LIMITED** will be held at **Nehru Centre Auditorium, Dr. Annie Besant Road, Worli, Mumbai - 400018** on **Tuesday,** the **3rd September, 2013** at **1030 hrs.** to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Statement of Profit and Loss for the year ended March 31, 2013 and the Balance Sheet as on that date together with Reports of the Directors and the Auditors thereon.

2. To declare dividend on equity shares for the year 2012-13.

3. To appoint a Director in place of Shri A. M. K. Sinha, who retires by rotation and is eligible for reappointment.

4. To appoint a Director in place of Shri P. K. Goyal, who retires by rotation and is eligible for reappointment.

5. To appoint a Director in place of Dr. Sudhakar Rao, who retires by rotation and is eligible for reappointment.

6. To appoint a Director in place of Shri Rajkumar Ghosh, who retires by rotation and is eligible for reappointment.

SPECIAL BUSINESS

7. Appointment of Prof. Devang Khakhar as a Director of the Company.

To consider and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Prof. Devang Khakhar, who was appointed as an Additional Director by the Board of Directors effective 14.09.2012 (afternoon) and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956, and in respect of whom, the Company has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

8. Appointment of Shri Rajive Kumar as a Director of the Company.

To consider and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Shri Rajive Kumar, who was appointed as an Additional Director by the Board of Directors effective 02.07.2013 and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956, and in respect of whom, the Company has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

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

(Raju Ranganathan)
Company Secretary

16th July, 2013

NOTES

(a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE 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 DULY FILLED, STAMPED & SIGNED NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

(b) An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.

(c) Members / Proxies should bring the attendance slip duly filled and signed for attending the meeting.

(d) Members are requested to bring their copy of Annual Report to the Meeting.

(e) Relevant documents referred to in the accompanying notice are open for inspection by the members at the Registered Office of the Company on all working days i.e. Monday to Friday, between 10:30 a.m. and 12:30 p.m. upto the date of the Annual General Meeting.

(f) The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 26th August, 2013 to Tuesday, the 3rd September, 2013 (both days inclusive) for the purpose of ascertaining the eligibility of members for payment of dividend.

(g) 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 working hours on Friday, 23rd August 2013.

(h) Share transfer documents and all correspondence relating thereto, should be addressed to the Registrar and Transfer Agent (RTA), M/s Karvy Computershare Pvt. Ltd., 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500081; Phone No.: 040-44655000; Fax No.: 040-44655024; Email: einward.ris@karvy.com.

(i) **Reserve Bank of India has initiated NECS (National Electronic Clearing System) facility for credit of dividend directly to the bank account of the members. Hence, members are requested to register their Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR code & 11 digit IFSC code), in respect of shares held in dematerialized form with their respective Depository Participant i.e. the agency where the demat account has been opened and in respect of shares held in physical form with the RTA or at the registered office of the Company.**

(j) Members may send their requests for change / updation of Address, Bank A/c details, ECS mandate, Email address, Nominations:

i) **For shares held in dematerialised form -** to their respective Depository Participant

ii) **For shares held in physical form -** to the RTA, M/s Karvy Computershare Private Limited, Hyderabad or at the registered office of the Company.

(k) Non-Resident Indian Members are requested to inform the RTA, M/s Karvy Computershare Private Limited, Hyderabad immediately about:

i) Change in their residential status on return to India for permanent settlement.

ii) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

(l) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market failing which the demat account / folio no. would be suspended for trading. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or its RTA.

(m) Pursuant to the provisions of section 205A & 205C of the Companies Act, 1956, the Company has transferred all unpaid dividend declared upto the financial year 2004-05 to Investor Education & Protection Fund (IEPF) established by the Central Government. Upon completion of 7 years, the Company would transfer the unclaimed / unpaid dividend for the financial year 2005-06 in October, 2013. The dividend for the financial year 2006-07 and thereafter, which remains unpaid or unclaimed for a period of 7 years would be transferred to the IEPF. Hence the members, who have not encashed their dividend warrant so far for the financial years 2006-07 to 2011-12, are requested to write to the RTA, M/s. Karvy Computershare Private Limited, Hyderabad or at the registered office of the Company for claiming the unpaid dividend. It may also be noted that once the unclaimed dividend is transferred to the IEPF, no claim shall lie in respect thereof.

Similarly, the dividend declared by erstwhile IBP Co. Ltd. and Bongaigaon Refinery & Petrochemicals Ltd. (BRPL) (since merged with IndianOil) remaining unclaimed / unpaid, will be transferred to IEPF on expiry of 7 year period. The members of erstwhile IBP and BRPL who have not encashed their dividend warrants so far are requested to write to the RTA, M/s Karvy Computershare Private Limited, Hyderabad or at the registered office of the Company.

NOTES (Contd.)

A brief resume of Directors, who are retiring by rotation and are eligible for reappointment, is given below:-

Item No. 3

Shri A. M. K. Sinha, Director (Planning & Business Development), aged 59 years, is a Mechanical Engineer and has attended the prestigious Advance Management Programme of the Management Development Institute, Gurgaon. He has over three decades of diverse experience with IndianOil and has managed critical portfolios across the whole marketing value chain. As Executive Director (Retail Sales), Shri Sinha drove the branding efforts of IndianOil and was at the forefront of the changing face of petroleum retailing business. Shri Sinha was also instrumental in formulating the perspective plan 2022 for IndianOil as head of Corporate Planning Group.

Details of other Directorships in Public Companies (excluding Foreign Companies):

Name of the Company	Position held
Petronet LNG Ltd.	Director
Green Gas Ltd.	Chairman

Membership/Chairmanship in the Committees of other Public Companies:

Name of the Committee	Position held
Audit Committee of Petronet LNG Ltd.	Member
Shareholders / Investors Grievance Committee of Petronet LNG Ltd.	Member
No. of Shares held in the Company	2400
Relationship between directors inter-se	None

Item No. 4

Shri P. K. Goyal, Director (Finance), aged 59 years, is a Chartered Accountant. In a career spanning over three decades in IndianOil, he has handled the entire gamut of activities in the Finance Function which includes treasury operations, policy formulation, statutory compliances, project appraisal, raising finances through international financial institutions, etc.. Shri Goyal has also headed the Corporate Finance, ERP related activities, International Trade & Optimization Group of IndianOil.

Details of other Directorships in Public Companies (excluding Foreign Companies)	NIL
Membership/Chairmanship in the Committees of other Public Companies	NIL
No. of Shares held in the Company	800
Relationship between directors inter-se	None

Item No. 5

Dr. Sudhakar Rao, Independent Director, aged 64 years, is an M.A. (Economics) from Delhi University and has done Masters of Public Administration from Kennedy and has also attended School of Government, Harvard University, U.S.A. He is a member of Indian Administrative Services (IAS – 1973). As a former Chief Secretary to the Govt. of Karnataka, Dr. Rao was responsible for all administrative, personnel, law & order and development matters. He was also a member of Public Enterprises Selection Board (PESB), Govt. of India, a body entrusted with the selection of Board level posts in PSUs.

Details of other Directorships in Public Companies (excluding Foreign Companies):

Name of the Company	Position held
BSE Training Institute Ltd.	Director
L&T Infrastructure Development Projects Ltd.	Director
BSE Ltd.	Public Interest Director
CMC Ltd.	Director
Binani Industries Ltd.	Director

Membership / Chairmanship in the Committees of other Public Companies: NIL

Name of the Committee	Position held
Audit Committee of L&T Infrastructure Development projects Ltd.	Member
Audit Committee of BSE Ltd.	Member
Audit Committee of CMC Ltd.	Member
Audit Committee of BSE Training Institute Ltd.	Member
No. of Shares held in the Company	NIL
Relationship between directors inter-se	None

Item No. 6

Shri Rajkumar Ghosh, Director (Refineries), aged 59 years, is a graduate in Chemical Engineering from IIT Kharagpur. He has over three decades of experience in Oil and Gas sector in areas including Project Management, Technical Services, Operations, Maintenance, Refining and Petrochemicals. He has worked in various positions at Barauni, Mathura, Haldia, Guwahati and Panipat Refineries of the Company. He was instrumental in commissioning of number of projects in various refineries. He was the Executive Director in-charge of IndianOil's Panipat Refinery and was actively associated in the commissioning of IndianOil's first Naphtha Cracker & Polymer Units at Panipat.

NOTES (Contd.)

Details of other Directorships in Public Companies (excluding Foreign Companies):

Name of the Company	Position held
Chennai Petroleum Corporation Ltd.	Director
Indian Synthetic Rubber Ltd.	Chairman
Membership / Chairmanship in the Committees of other Public Companies	NIL
No. of Shares held in the Company	3000
Relationship between directors inter-se	None

EXPLANATORY STATEMENT IN PURSUANCE OF SECTION 173 OF THE COMPANIES ACT, 1956.

Item No. 7

Prof. Devang Khakhar, aged 54 years, was appointed as an Additional Director (Independent Director) w.e.f. 14.09.2012 (afternoon) by the Board of Directors, pursuant to Article 94(I) of the Articles of Association of the Company and Section 260 of the Companies Act 1956 and holds office up to the date of this Annual General Meeting.

Professor Devang Khakhar is currently the Director of IIT Bombay and Professor of Chemical Engineering. Professor Khakhar did his B.Tech. from IIT Delhi in 1981 and Ph.D. from the University of Massachusetts, Amherst in 1986. He joined the Department of Chemical Engineering at IIT Bombay in January 1987, and has been with the Institute since then. He serves on the Science Advisory Council to the Prime Minister of India (SAC-PM), Scientific Advisory Committee to Cabinet (SAC-C) and Atomic Energy Regulatory Board (AERB).

Details of other Directorships in Public Companies (excluding Foreign Companies)	NIL
Membership/Chairmanship in the Committees of other Public Companies	NIL
No. of Shares held in the Company	NIL
Relationship between directors inter-se	None

In terms of Section 257 of the Companies Act, 1956, the Company has received a notice in writing from a member signifying his intention to propose Prof. Devang Khakhar as a candidate for the office of Director.

The Directors, therefore, recommend the Ordinary Resolution. None of the Directors of the Company except Prof. Devang Khakhar is interested or concerned in the resolution.

Item No. 8

Shri Rajive Kumar, aged 55 years, was appointed as an Additional Director (Government Nominee Director) w.e.f 02.07.2013 by the Board of Directors, pursuant to Article 94(I) of the Articles of Association of the Company and Section 260 of the Companies Act 1956 and holds office up to the date of this Annual General Meeting.

Shri Rajive Kumar, Additional Secretary, MoP&NG is an IAS Officer of UP Cadre (1981 batch). He holds a post graduate degree in Physics as well as Masters degree in Public Administration from Harvard. Shri Rajive Kumar has handled several key assignments in the state of Uttar Pradesh including Urban and Rural Development, Personnel, District Administration and a long stint in Industrial Development Sector serving as Chief Executive Officer in several state PSU's. He has also held important positions in the Govt. of India as Joint / Additional Secretary in the Cabinet Secretariat and as Joint Secretary in the Department of Economic Affairs, Ministry of Finance.

Details of other Directorships in Public Companies (excluding Foreign Companies)

Name of the Company	Position held
GAIL (India) Ltd.	Director
Membership/Chairmanship in the Committees of other Public Companies	NIL
No. of Shares held in the Company	NIL
Relationship between directors inter-se	None

In terms of Section 257 of the Companies Act, 1956, the Company has received a notice in writing from a member signifying his intention to propose Shri Rajive Kumar as a candidate for the office of Director.

The Directors, therefore, recommend the Ordinary Resolution. None of the Directors of the Company except Shri Rajive Kumar is interested or concerned in the resolution.

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

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

(Raju Ranganathan)
Company Secretary

16th July, 2013

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued Circulars stating that service of documents including Annual Report to the members can be made through electronic mode. SEBI, vide circular Ref. No. CIR/CFD/DIL/7/2011 dated 5th October 2011, has also advised listed companies to supply soft copies of full annual reports to all those members who have registered their e-mail addresses for the purpose. In order to support the said initiative, IndianOil has sent the copy of the Annual Report for the year 2012-13 alongwith the notice convening the Annual General Meeting through email to those members who have registered their email ID with the DP's / R&T agents and have opted not to receive the Annual report in physical form.

MEMBERS WHO HAVE NOT YET REGISTERED THEIR EMAIL ADDRESS ARE REQUESTED TO SUPPORT THE GREEN INITIATIVES BY REGISTERING THEIR EMAIL ADDRESS EITHER WITH DEPOSITORIES OR WITH THE COMPANY IN THE FORMAT GIVEN BELOW.

FORM FOR REGISTRATION OF EMAIL ADDRESS FOR RECEIVING DOCUMENTS / NOTICES BY ELECTRONIC MODE

To,
Karvy Computershare Private Limited
Unit: Indian Oil Corporation Limited
Plot No.17 to 24,
Vittalrao Nagar, Madhapur
Hyderabad - 500081

I agree to receive all documents / notices from the Company in electronic mode. Please register my email address given below in your records for sending communication through email.

Name of Sole / First Holder : ____________________

DP ID / Client ID / Folio No. : ____________________

PAN No. : ____________________

E-mail Address : ____________________

(Signature of Member)

Date :

Place :


Our ground work takes y
IndianOil
3912

Indian Oil Corporation Limited

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

ATTENDANCE SLIP

DP ID	CLIENT ID	FOLIO NO.	NO. OF SHARE(S) HELD

I/We hereby record my/our presence at the **54th Annual General Meeting** of the Company on **Tuesday**, the **3rd September, 2013** at **1030 hrs.** at **Nehru Centre Auditorium, Dr. Annie Besant Road, Worli, Mumbai - 400018.**

Name of the Member____

Signature of the Member ______________________________________

Name of the Proxy____

Signature of the Proxy _______________________________________

NOTES

1. Kindly sign and hand over the attendance slip at the entrance of the meeting hall.
2. Members/Proxy holders are requested to bring their copy of the Annual Report for reference at the meeting.

TEAR HERE

Indian Oil Corporation Limited

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

PROXY FORM

DP ID	CLIENT ID	FOLIO NO.	NO. OF SHARE(S) 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 and vote for me/us on my/our behalf at the **54th Annual General Meeting** of the Company to be held at **1030 hrs.** on **Tuesday**, the **3rd September, 2013** at **Nehru Centre Auditorium, Dr. Annie Besant Road, Worli, Mumbai - 400018** and at any adjournment(s) thereof.

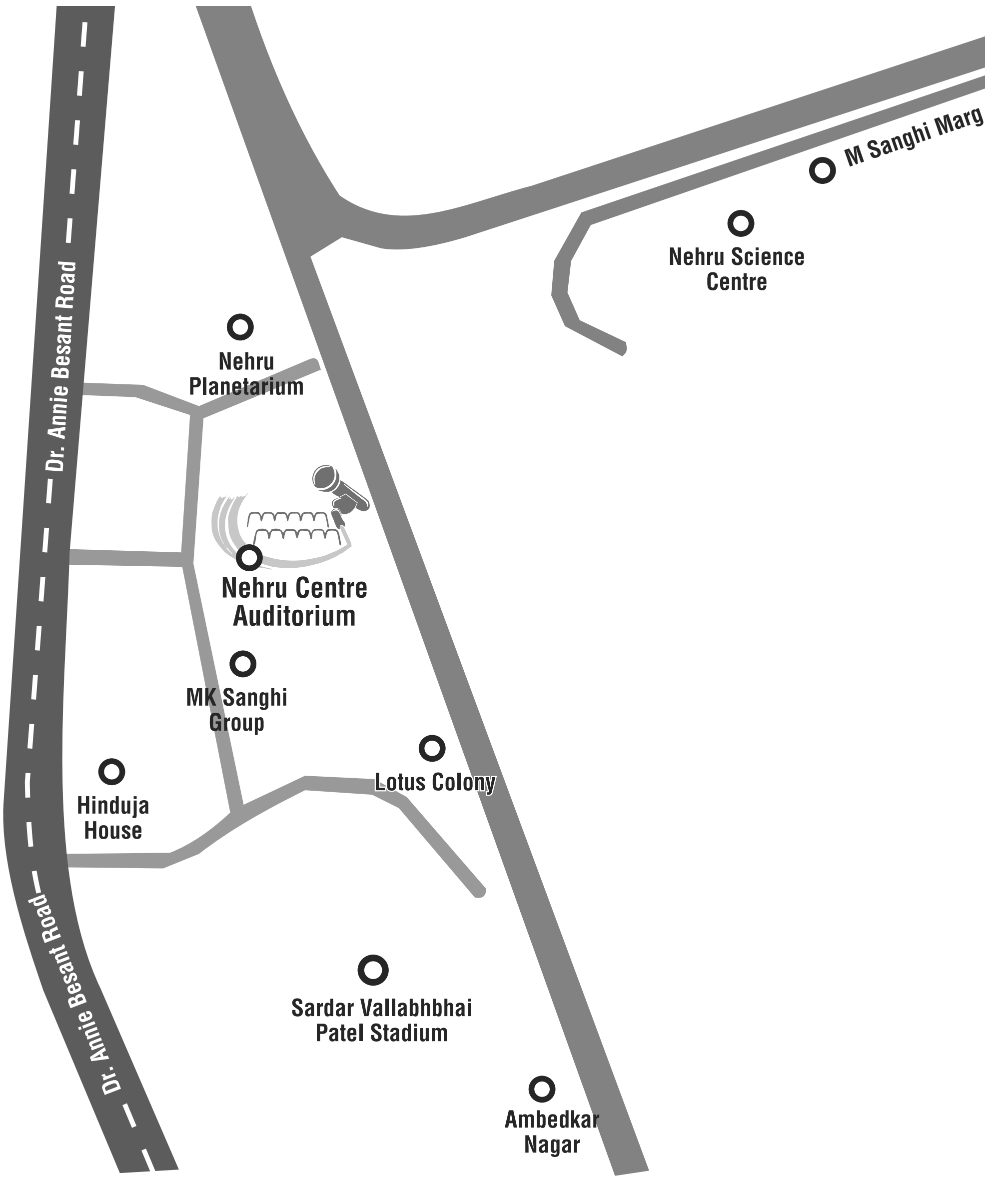
Please Affix
Revenue
Stamp

Signed this …………….. day of ……………. 2013.

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 - 400051 not less than 48 hours before the commencement of the Annual General Meeting.

Nehru Centre Auditorium, Mumbai
Venue of IndianOil's
54^{th} Annual General Meeting




Indane

PROFILE

Indian Oil Corporation Limited is the country's flagship national oil company, with business interests straddling the entire hydrocarbon value chain - exploration & production of crude oil & gas, refining, pipeline transportation and marketing of petroleum products, natural gas and petrochemicals. Ranked at 88th position in the year 2013, it is the highest ranked Indian corporate in the prestigious *Fortune* 'Global 500' listing.

IndianOil and its subsidiaries enjoy a dominant share of national refining capacity, pipeline capacity in the downstream sector and petroleum products' market. IndianOil's strong workforce of over 34,000 employees has been instrumental in meeting India's energy demands for more than five decades now. At IndianOil, operations are strategically structured along the verticals - Refineries, Pipelines, Marketing, R&D Centre and Business Development - E&P, Petrochemicals and Natural Gas.

IndianOil and its subsidiaries own and operate 10 of India's 22 refineries and its cross-country network of over 11,000 kms of crude oil, product and gas pipelines is the largest in the country, meeting the vital energy needs of consumers in an efficient and environment-friendly manner.

The Corporation caters to the rural market through its indigenous Kisan Seva Kendra retail outlets. IndianOil serves every nook and corner of the country, every hour of the day, with countrywide supply network, backed by bulk storage terminals and depots, aviation fuel stations and LPGas bottling plants. Almost every second household in India is fuelled through Indane LPGas, through its vast network of retail distributors. A large network of consumer pumps is also in operation for the convenience of bulk consumers, ensuring products and inventory at their doorstep.

The Corporation has a portfolio of powerful and much-loved energy brands that include Indane LPGas, *SERVO* lubricants, PROPEL petrochemicals and the likes. IndianOil's ISO-9002 certified Aviation Service commands an enviable market share in the aviation fuel business and successfully services the demands of the Indian Defence Service, domestic and international flag carriers as well as private airlines. The Corporation also enjoys a major share of the fuel needs of the bulk consumer, industrial, agricultural and marine sectors.

To maintain its position as a market leader and to provide the best quality products and services, IndianOil is presently investing in a multitude of projects for augmentation of refining, pipelines and petrochemicals capacities, expansion of marketing infrastructure and product quality up gradation.

IndianOil's world-class Research & Development Centre is a pioneer in lubricants formulation, refinery processes, pipeline transportation and alternative fuels. This nodal agency of the Indian hydrocarbon sector has been instrumental in ushering in research on Hydrogen fuel in the country.

DHDT technology, Light Naptha Isomerization technology, INDMAX technology (for maximizing LPGas yield), INDAdept[G], Oilivorous bio-remediation technology (extended to marine applications too),

IndianOil - Bringing Energy to Life

Diesel Hydro DeSulphurisation(DHDS) catalyst, a special Indicat catalyst for Bharat Stage - IV compliant Diesel, IndVi catalyst for improved distillate and FCC throughput, and adsorbent based deep sulphurisation process for gasoline and diesel streams are some of the in-house technologies and catalysts developed by IndianOil.

Having set up subsidiaries in Sri Lanka, Mauritius, United Arab Emirates (UAE), Sweden and USA IndianOil is simultaneously scouting for new business opportunities in the energy markets of Asia and Africa. IndianOil has been pursuing exploration and production (E&P) activities in collaboration with consortium partners. The Corporation's domestic portfolio includes 13 blocks, out of which in two blocks, IndianOil is having 100% participating interest as an operator. The overseas portfolio consists of 10 blocks spread across Libya, Iran, Gabon, Nigeria, Yemen & Venezuela.

Natural Gas Business is a thrust area for IndianOil with focus on marketing, import, transportation & infrastructure development. IndianOil has marketing rights for 30% of the LNG procured by Petronet LNG Limited for its Dahej Terminal & upcoming Kochi Terminal. IndianOil is setting up a 5 MMTPA LNG regassificiation terminal of its own at Ennore. The Corporation has presence in City Gas Distribution through its JV company, Green Gas Ltd and is in two joint ventures with other state run oil & gas marketing companies to set up laying three cross country gas pipelines.

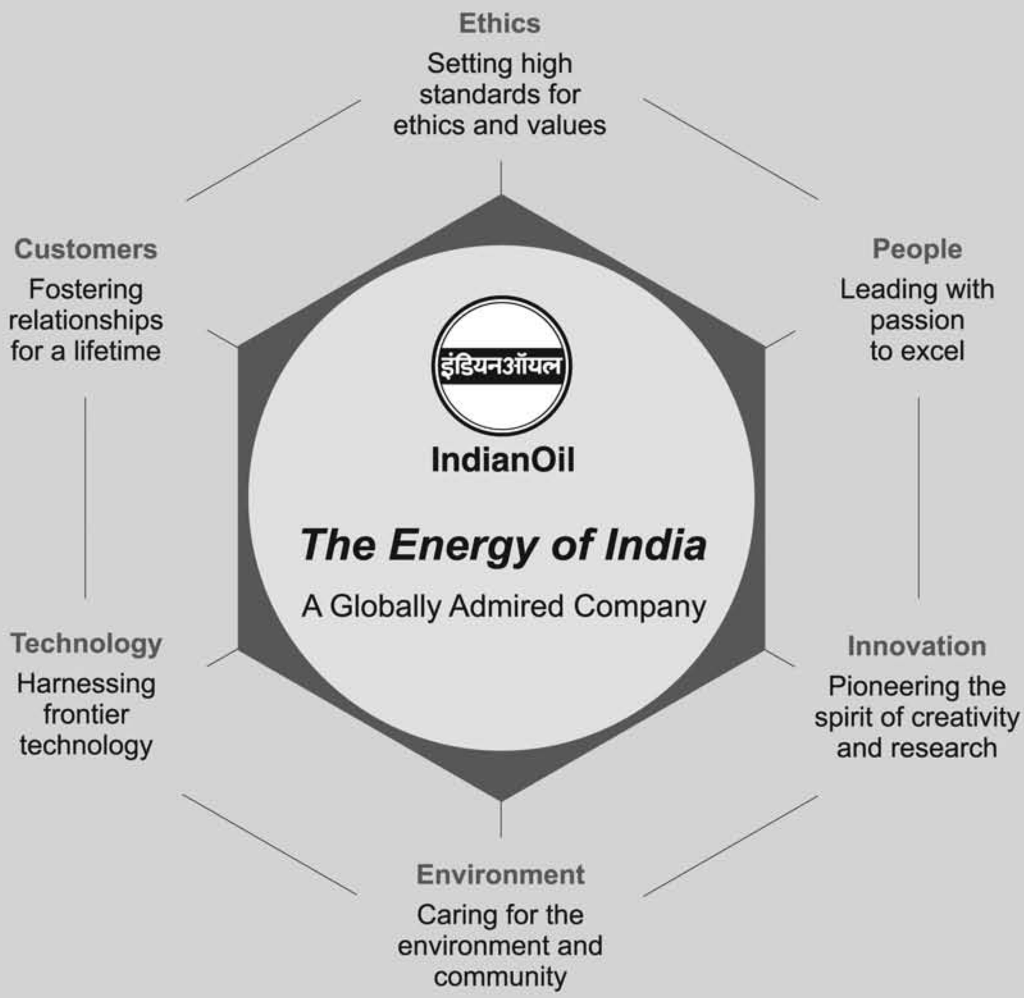
The Corporation has forayed into alternative energy options such as wind, solar, bio-fuels and nuclear power. A wind power project is operational in Gujarat and underway in Andhra Pradesh and the solar power initiative is being spearheaded on a pilot basis in Jodhpur, Rajasthan. The Bio Energy Research Centre has commissioned the first integrated lignocellulosic Biomass to Ethanol pilot plant in India for conversion of biomass to Ethanol.

Lab in R&D Centre, Faridabad

IndianOil has a concerted social responsibility programme to partner communities for health, family welfare, education, environment and cultural heritage protection. The Corporation has always been at the forefront during national emergencies stepping in to provide assistance and relief & rehabilitation as well as maintaining an uninterrupted supply of petroleum products. IndianOil has successfully combined its corporate social responsibility with its business offerings, meeting the energy demands of millions of people every day, across the length and breadth of the country.

Workstation at Product Application & Development Centre, Panipat

VISION



• Care • Innovation • Passion • Trust

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 supply 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.

In every nook & corner of the country

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 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 earn 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.

Board of Directors

Sitting (from left to right): *Smt. Shyamala Gopinath, Prof. V K Bhalla, Shri Shyam Saran, Shri Rajive Kumar, Shri R S Butola, Dr. S C Khuntia, Dr. Sudhakar Rao, Prof. Devang Khakhar*

Standing behind (from left to right): *Dr. R K Malhotra, Shri Rajkumar Ghosh, Shri P K Goyal, Shri M Nene, Shri V S Okhde, Shri A M K Sinha*

Shri Sudhir Bhalla (in absence)

BOARD OF DIRECTORS

Shri R. S. Butola
Chairman

Dr. R. K. Malhotra
Director (Research & Development)

Shri Sudhir Bhalla
Director (Human Resources)*

Shri A. M. K. Sinha
Director (Planning & Business Development)

Shri P. K. Goyal
Director (Finance)

Shri Rajkumar Ghosh
Director (Refineries)

Shri M. Nene
Director (Marketing)

Shri V. S. Okhde
Director (Pipelines)

Dr. S.C. Khuntia
Government Nominee Director, w.e.f. 09.08.2012

Shri Rajive Kumar
Government Nominee Director, w.e.f. 02.07.2013

Dr. Sudhakar Rao
Independent Director

Prof. (Dr.) V.K. Bhalla
Independent Director

Smt. Shyamala Gopinath
Independent Director

Shri Shyam Saran
Independent Director

Prof. Devang Khakhar
Independent Director, w.e.f. 14.09.2012 (afternoon)

Shri Anees Noorani
Independent Director, upto 14.09.2012

Smt. Sushama Nath
Independent Director, upto 23.01.2013

Dr. (Smt.) Indu R. Shahani
Independent Director, upto 13.02.2013

Prof. Gautam Barua
Independent Director, upto 13.02.2013

Shri Michael Bastian
Independent Director, upto 13.02.2013

Shri Nirmal Kumar Poddar
Independent Director, upto 13.02.2013

Shri Sudhir Bhargava
Government Nominee Director, upto 08.05.2013

Shri Raju Ranganathan, Company Secretary

*Shri Sudhir Bhalla, Director (HR) has been in serious medical condition since February, 2012
Shri P. K. Goyal, Director(F) was given the additional charge of Director(HR) from 21.02.2012 to 20.09.2012.
Thereafter Shri R. S. Butola, Chairman has been holding additional charge of Director (HR).

Core Team

Standing (from left to right): *Shri A M K Sinha, Director (Planning & Business Development), Shri Rajkumar Ghosh, Director (Refineries), Shri P K Goyal, Director (Finance), Shri R S Butola, (Chairman), Dr. R K Malhotra, Director (Research & Development), Shri M Nene, Director (Marketing), Shri V S Okhde, Director (Pipelines)*

Shri Sudhir Bhalla, Director (HR) (in absence)

SENIOR MANAGEMENT TEAM

Vipin Kumar
Adviser (Security)

S K Singh
Chief Vigilance Officer

N K Bansal
Executive Director (Corporate Planning & Economic Studies), Corporate Office

Amitava Chatterjee
Executive Director (I/c) (Co-ordination, Planning & Quality Control), Marketing

Ravinder Sareen
Executive Director (Aviation), Marketing

S Ramasamy
Executive Director (Information System), Corporate Office

N Srikumar
Executive Director I/c (Corporate Communication & Branding), Marketing

V K Jaychandran
Executive Director (I/c) (Tamil Nadu State Office)

Satwant Singh
Executive Director (Cryogenics)

Debasis Sen
Executive Director (I/c) (Lubes), Marketing

S C Meshram
Executive Director (Consumer Sales), Marketing

Prithwiraj Sur
Executive Director (Petrochemicals), Refineries

H S Bedi
Executive Director (Human Resource), Marketing

Anshumali Saran
Executive Director (Bongaigaon Refinery)

N Sethurathinam
Executive Director (Maintenance & Inspection), Refineries

V K Bansal
Executive Director (I/c) (Finance), Refineries

M Vijaywargiya
Executive Director (I/c) (Paradip Refinery Project)

A K Marchanda
Executive Director (I/c) (Gas), Corporate Office

Ashwani Sharma
Executive Director (Business Development), Corporate Office

M K Padia
Executive Director (ENCON & Efficiency Improvement), Refineries

N K Gupta
Executive Director (Optimisation), Corporate Office

S K Sarangi
Executive Director (Alternate Energy), R&D

K R Suresh Kumar
Executive Director (Regional Services, Southern Region), Marketing

S S Bapat
Executive Director (Corporate Communication & Branding), Marketing

S Krishna Prasad
Executive Director (Finance), Marketing

G Tiwari
Executive Director (Maharashtra State Office)

Anjan Banerjee
Executive Director (Lube-Operations), Marketing

S K Diwan
Executive Director (I/c) (Anti Adulteration Cell), Corporate Office

Suneel Sethi
Executive Director (Human Resource), Pipelines

Dr. B Basu
Executive Director (Lube Technology), R&D

V K Gupta
Executive Director (Corporate Affairs)

Ashis Nag
Executive Director (Process, Design & Engg. Cell), Refineries

B P Baliga
Executive Director (Health, Safety & Environment), Refineries

S Ganguli
Executive Director (I/c) (Mathura Refinery)

S Rajagopal
Executive Director (I/c) (Refining Technology), R&D

A K Digar
Executive Director (Health, Safety & Environment), Marketing

M B Nangia (Ms.)
Executive Director (Finance, Information System & Materials), R&D

S Balasubramanian
Executive Director (Operations), Marketing

J P Ojha
Executive Director (Operations), Pipelines

A N Jha
Executive Director (LPG), Marketing

S Mitra
Executive Director (Petrochemicals), Corporate Office

P M Nazirudeen
Executive Director (Regional Services, Western Region), Marketing

S S Samant
Executive Director I/c (Projects & Engineering), Marketing

S K Ghosh
Executive Director (Operations), Refineries

Anish Aggarwal
Executive Director (Western Region Pipelines)

B Ashok
Executive Director (Retail Sales), Marketing

V Damodaran
Executive Director (Ennore LNG Project)

Barun Barpujari
Executive Director (Assam Oil Division)

Alok Misra
Executive Director (Anti Adulteration Cell), Corporate Office

Projjal Chakrabarty
Executive Director (Information System), Marketing

T K Basak
Executive Director (I/c) (Panipat Refinery)

Rajiv Khanna
Executive Director (Pricing), Marketing

B B Choudhary
Executive Director (Exploration & Production, RE&SD)

S K Jha
Executive Director (Barauni Refinery)

V K Khurana
Executive Director I/c (Projects), Pipelines

V K Mithal
Executive Director (Projects - PDRP), Refineries

Sudeb Gupta
Executive Director (Punjab State Office)

A K Garg
Executive Director (Internal Audit), Corporate Office

H S Pati
Executive Director (Eastern Region Pipelines)

R K Bhan
Executive Director (Health, Safety & Environment), Corporate Office

R K Arora
Executive Director (Karnataka State Office)

Lee Bee Sen
Executive Director (Human Resource & CSR), Corporate Office

Indrajit Bose
Executive Director (West Bengal State Office)

B P Das
Executive Director (Refining Technology), R&D

B D Yadav
Executive Director (Northern Region Pipelines)

Rajiv Chawla
Executive Director (Information Systems), Refineries

Gautam Roy
Executive Director (Gujarat Refinery)

Sanjiv Singh
Executive Director (Paradip Refinery Project)

Amresh Kapoor
Executive Director (I/c) (Regional Services, Northern Region), Marketing

Supriyo Dhar
Executive Director (Panipat Refinery)

Priobhash Dey
Executive Director (North-East Integrated State Office)

P Rajendran
Executive Director (Trombay Lube Complex)

C Shankar
Executive Director (Technical) (Mathura Refinery)

Narinder Kumar
Executive Director (Projects), Refineries

G Ramkumar
Executive Director (Automation), Marketing

A K Chowdhury
Executive Director (Human Resource), Refineries

Rajiv Bahl
Executive Director (Finance & Treasury), Corporate Office

Ramjee Ram
Executive Director (Paradip Refinery Project)

Verghese Cherian
Executive Director (IndianOil Institute of Petroleum Management)

A C Mishra
Executive Director (Haldia Refinery)

Vijay Prakash
Executive Director, (Paradip Refinery Project)

A K Tyagi
Executive Director (Materials & Contracts), Pipelines

A S Malik
Executive Director (Construction), Pipelines, Bhubaneswar

S S Mishra
Executive Director (Uttar Pradesh State Office II)

U V Mannur
Executive Director (Tamil Nadu State Office)

A K Sharma
Executive Director (Finance), Refineries

B S Canth
Executive Director (Andhra Pradesh State Office)

G K Satish
Executive Director (International Trade), Corporate Office

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

STATUTORY AUDITORS

M/s. B. M. Chatrath & Co., Kolkata
M/s Parakh & Co., Jaipur
M/s Dass Gupta & Associates, New Delhi

BRANCH AUDITORS

Shri S. Jaykishan, Kolkata
M/s. H D S G & Associates, New Delhi
M/s M. Thomas & Co., Chennai
M/s S. K. Naredi & Co., Kolkata
M/s. S. Lall & Co., Panipat

COST AUDITORS

M/s. Chandra Wadhwa & Co., New Delhi (Central Cost Auditor)
M/s. R. M. Bansal & Co., Kanpur
M/s. Thakur & Co., Kolkata
M/s. ABK & Associates, Mumbai
M/s. Vivekanandan Unni & Associates, Chennai
M/s. Mani & Co., Kolkata
M/s. Sanjay Gupta & Associates, New Delhi
M/s. A. C. Dutta & Co., Kolkata
M/s. Chandra Wadhwa & Co., New Delhi
M/s. R. J. Goel & Co., New Delhi
M/s. Subhadra Dutta & Associates, Guwahati
M/s. Bandopadhyay Bhaumik & Co., Kolkata

REGISTRAR & SHARE TRANSFER AGENT

M/s. Karvy Computershare Pvt. Ltd.
Plot No. 17 - 24, Vittal Rao Nagar, Madhapur,
Hyderabad - 500 081
Tel.: 040-44655000, Fax: 040-44655024

STOCK EXCHANGES

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

National Stock Exchange of India Ltd. (NSE)
Exchange Plaza,
5th Floor,
Plot C/1, 'G' Block,
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.

BANKERS

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

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 of Petroleum Products
IOC Middle East FZE	Lube blending & Marketing of Lubricants
IndianOil - CREDA Biofuels Limited	Plantation of Jatropha and extraction of oil for Bio-diesel
IOC Sweden AB	Investment company for E&P Project in Venezuela
IOCL (USA) Inc.	Participation in Shale Gas Asset Project

JOINT VENTURES

Name	Business	Partners
Avi-Oil India Pvt. Ltd.	Speciality lubricants	NYCO SA, France and Balmer Lawrie & Co. Ltd.
Delhi Aviation Fuel Facility Private Limited	Setting up and operation of Aviation Fuel Facility at Delhi Airport	DIAL & BPCL
Green Gas Ltd.	City gas distribution	GAIL (India) Ltd.
GSPL India Transco Ltd.	Setting up of Natural Gas Pipeline	GSPL, HPCL, BPCL
GSPL India Gasnet Ltd.	Setting up of Natural Gas Pipeline	GSPL, HPCL, BPCL
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 Ruchi Biofuels LLP	Bio Fuel related activities	Ruchi Soya
IndianOil Skytanking Ltd.	Aviation fuel facility projects	IOT Infrastructure & Energy Services Ltd., Skytanking GmbH, Germany.
Indian Synthetic Rubber Limited	Setting up of Styrene Butadiene Rubber manufacturing facility at Panipat	TSRC Taiwan & Marubeni Japan
Lubrizol India Pvt. Ltd.	Lube Additives	Lubrizol Inc., USA
NPCIL - IndianOil Nuclear Energy Corporation Limited	For setting up Nuclear Power Plant	Nuclear Power Corporation of India Limited
Petronet LNG Ltd.	LNG Imports/distribution	BPCL, ONGC, GAIL, GDFI and ADB
Petronet India Ltd.	Petroleum product pipeline projects through special purpose vehicles.	BPCL, HPCL, RIL, 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, GIIC, IL&FS, CB
Suntera Nigeria 205 Limited	Oil exploration activities	Oil India Ltd., Suntera Resources Ltd., Cyprus

BPCL - Bharat Petroleum Corporation Ltd., **HPCL** - Hindustan Petroleum Corporation Ltd., **ONGC** - Oil and Natural Gas Corporation Ltd., **GAIL** - GAIL (India) Ltd. **RIL** - Reliance Industries 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., **DIAL** - Delhi International Airport Pvt.Ltd., **TSRC** - TSRC Corporation, Taiwan, **ADB** - Asian Development Bank, **GSPL** - Gujarat State Petronet Ltd., **GDFI** - Gaz de France

PERFORMANCE AT A GLANCE

	2012-13	2011-12	2012-13	2011-12	2010-11	2009-10	2008-09
	(US $ Million)		(₹ in Crore)				
I FINANCIAL							
Turnover (Inclusive of Excise Duty)	76,200	78,031	414,909	373,926	303,695	250,065	261,849
Profit Before Exceptional Items, Finance Cost, Tax, Depreciation & Amortisation (EBITDA)	3,170	4,574	17,258	21,919	16,316	18,859	11,163
Profit Before Exceptional Items, Finance Cost & Tax (EBIT)	2,214	3,558	12,057	17,052	11,769	15,632	8,281
Profit Before Exceptional Items & Tax	1,037	2,392	5,648	11,462	9,096	14,106	4,329
Profit Before Tax	1,037	783	5,648	3,754	9,096	14,106	4,329
Profit After Tax	919	825	5,005	3,955	7,445	10,221	2,950
Dividend	276	253	1,505	1,214	2,307	3,156	910
Dividend Tax	47	40	256	194	359	509	155
Retained Earnings	596	532	3,244	2,547	4,779	6,556	1,885
Contribution to Central & State Exchequer	14,659	16,468	79,819	78,914	77,622	57,680	57,529
Cumulative Dividend	4,334	4,611	23,601	22,096	20,882	18,575	15,419
Value Added	**4,505**	**4,004**	**24,529**	**19,188**	**22,752**	**24,600**	**16,857**
Distribution of Value Added :							
To Employees	1,335	1,039	7,271	4,977	6,436	5,741	5,694
To Providers of Capital							
- Finance Cost	1,177	1,166	6,409	5,590	2,673	1,526	3,952
- Dividend	276	253	1,505	1,214	2,307	3,156	910
To Government- Income Tax & Dividend Tax	165	(2)	899	(7)	2,010	4,394	1,534
Retained in Business							
- Depreciation	956	1,016	5,201	4,867	4,547	3,227	2,882
- Retained Earnings	596	532	3,244	2,547	4,779	6,556	1,885
What Corporation Owns							
Gross Fixed Assets	19,311	19,494	104,840	99,183	93,137	72,089	62,345
Depreciation & Amortisation	8,143	7,731	44,207	39,336	34,950	30,508	27,567
Net Fixed Assets	11,168	11,763	60,633	59,847	58,187	41,581	34,778
Capital Work In Progress (CWIP) (including Capital Advances)	5,077	4,278	27,564	21,770	12,620	21,227	18,114
Investments (including current investments)	3,439	3,671	18,671	18,678	19,545	22,370	32,232
Working Capital	7,487	7,518	40,646	38,251	24,036	14,679	9,287
Misc. Expenditure	3	4	17	20	15	18	38
Total	**27,174**	**27,234**	**147,531**	**138,566**	**114,403**	99,875	94,449
What Corporation Owes							
Net Worth							
- Share Capital	447	477	2,428	2,428	2,428	2,428	1,192
- Share Suspense Account	-	-	-	-	-	-	22
- Reserves	10,812	10,898	58,696	55,449	52,904	48,125	42,784
Total	**11,259**	**11,375**	**61,124**	**57,877**	**55,332**	**50,553**	**43,998**
Borrowings	14,900	14,829	80,894	75,447	52,734	44,566	44,972
Deferred Tax Liability	1,015	1,030	5,513	5,242	6,337	4,756	5,474
Foreign Currency Monetary Item Translation Difference Account (FCMITDA)	-	-	-	-	-	-	5
Total	**27,174**	**27,234**	**147,531**	**138,566**	**114,403**	99,875	94,449

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

PERFORMANCE AT A GLANCE (Contd.)

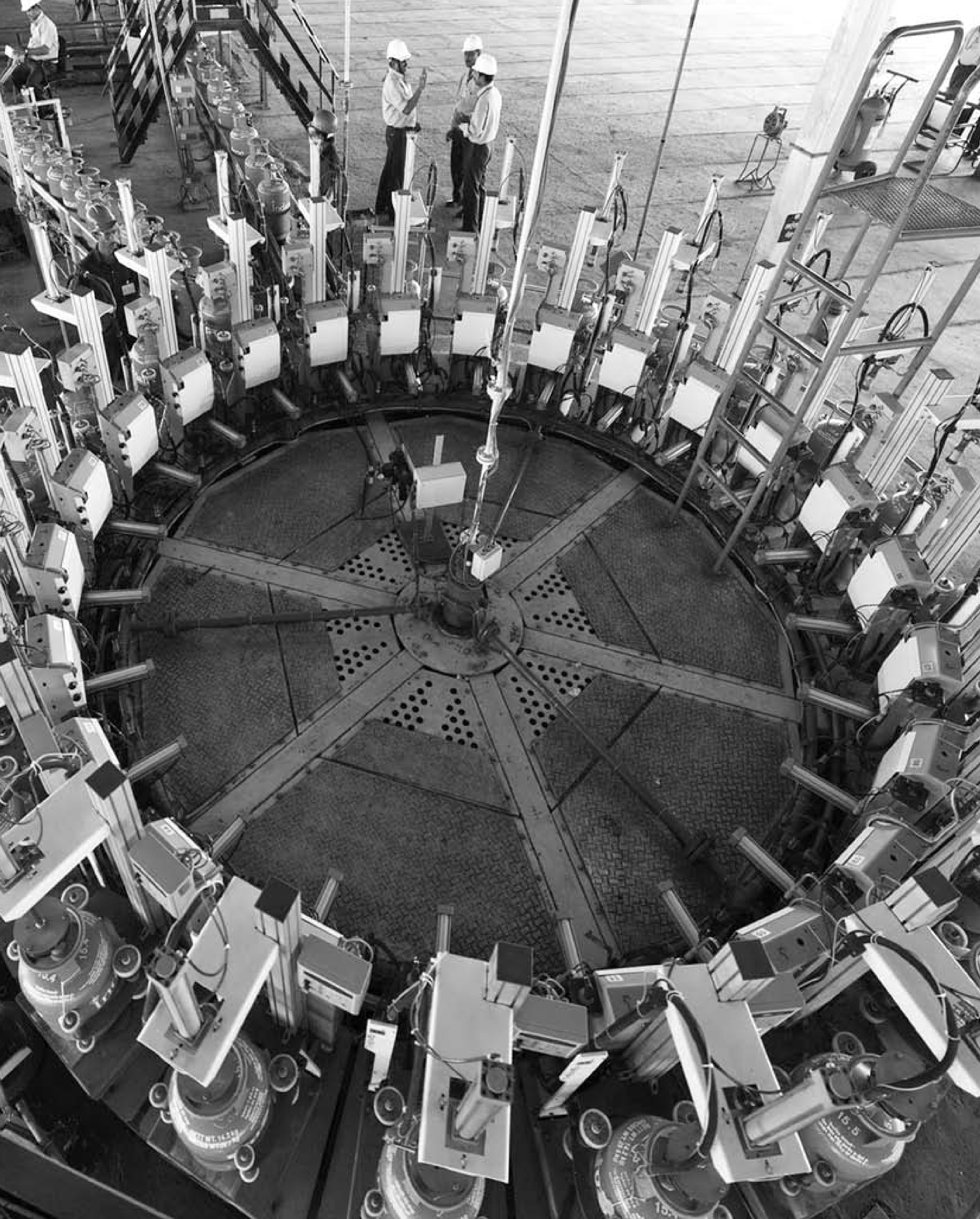
	2012-13	2011-12	2012-13	2011-12	2010-11	2009-10	2008-09
	(US $)		(₹)				
Ratios							
Earnings Per Share*	0.38	0.34	20.61	16.29	30.67	42.10	12.15
Cash Earnings Per Share*	0.77	0.76	42.04	36.34	49.39	55.39	24.02
Networth Per Equity Share*	4.64	4.69	251.75	238.38	227.90	208.21	181.22
Debt Equity Ratio							
- Total Debt To Equity			1.32:1	1.30:1	0.95:1	0.88:1	1.02:1
- Long Term Debt To Equity			0.39:1	0.38:1	0.34:1	0.36:1	0.36:1
Return on Average Networth (%)			8.41	6.99	14.06	21.62	6.93
Return on Average Capital Employed (%)			10.67	16.48	13.90	21.61	11.99
PBT /Turnover (%)			1.36	3.07	3.00	5.64	1.65
EBITDA/Turnover (%)			4.16	5.86	5.37	7.54	4.26

* Earnings Per Share, Cash Earnings Per Share and Net Worth per Equity Share for all the periods have been adjusted for Bonus Issue in November 2009

Note: Exchange rate used:-
For 2012-13 Average Rate 1 US \$ = ₹ 54.45 and Closing Rate 1 US \$ = ₹ 54.29 as on 31.03.2013
For 2011-12 Average Rate 1 US \$ = ₹ 47.92 and Closing Rate 1 US \$ = ₹ 50.88 as on 31.03.2012

1	Value Added	Profit Before Tax+ Finance Cost+ Depreciation & Amortisation+ Employee Benefit expenses
2	Borrowings (Total Debt)	Short Term Borrowings + Long Term Borrowings + Current Maturities of Long Term Debt + Interest Accured and Due on Loans
3	Net Worth	Equity Share Capital + Share Capital Suspense a/c +Reserves & Surplus
4	Capital Employed	Net Worth+Borrowings – CWIP- Misc. Expenditure
5	Earnings Per Share	Profit After Tax/Weighted average number of Equity shares
6	Cash Earnings Per Share	(Profit After Tax + Depreciation & Amortisation) /Weighted average number of Equity shares
7	Networth Per Equity Share	Net Worth/ Number of Equity Shares
8	Total Debt To Equity	Borrowings/ Net Worth
9	Long Term Debt To Equity	(Long Term Borrowing + Current Maturities of Long Term Debt)/ Net Worth
10	Return on Average Networth (%)	Profit After Tax/ Average Net Worth
11	Return on Average Capital Employed (%)	EBIT/Average Capital Employed.
12	PBT /Turnover (%)	Profit Before Exceptional Items & Tax/ Turnover

		2012-13	2011-12	2010-11	2009-10	2008-09
II OPERATIONS						
Operating Performance						
Product Sales						
Domestic						
- Petroleum Products	Million Tonnes	68.755	68.103	65.314	63.030	60.887
- Gas	Million Tonnes	1.830	1.723	1.638	1.683	1.666
- Petrochemicals	Million Tonnes	1.825	1.473	0.909	0.652	0.540
- Explosives	Million Tonnes	0.080	0.071	0.071	0.058	0.051
Total Domestic	**Million Tonnes**	**72.490**	**71.370**	**67.932**	**65.423**	**63.144**
Export	Million Tonnes	3.747	4.291	4.988	4.497	3.613
Total	**Million Tonnes**	**76.237**	**75.661**	**72.920**	**69.920**	**66.757**
Refineries Throughput	**Million Tonnes**	**54.650**	**55.621**	**52.962**	**50.696**	**51.367**
Pipelines Throughput	**Million Tonnes**	**75.495**	**75.549**	**68.512**	**65.007**	**59.627**
III MANPOWER	Nos.	34,084	34,233	34,105	34,363	33,998



DIRECTORS' REPORT

Dear Members,

On behalf of the Board of Directors, it is my privilege to present the 54th Annual Report of the Corporation for the financial year ended 31st March 2013, alongwith the Audited Statement of Accounts, Auditors' Report and the Report of the Comptroller & Auditor General of India on the Accounts.

PERFORMANCE REVIEW

FINANCIAL

	2012-13		2011-12	
	US$ Million	₹ in Crore	US$ Million	₹ in Crore
Turnover (inclusive of Excise Duty)	**76,200**	**414,909**	78,031	373,926
EBITDA (Profit before Exceptional Items, Finance cost, Tax, Depreciation & Amortisation)	**3,170**	**17,258**	4,574	21,919
Finance Cost	**1,177**	**6,409**	1,166	5,590
Depreciation	**956**	**5,201**	1,016	4,867
Profit before Tax & Exceptional Items	**1,037**	**5,648**	2,392	11,462
Exceptional Items	-	-	1,609	7,708
Profit Before Tax	**1,037**	**5,648**	783	3,754
Tax Provision	**118**	**643**	(42)	(201)
Profit After Tax	**919**	**5,005**	825	3,955
Less: Appropriations				
Proposed Dividend	**276**	**1,505**	253	1,214
Corporate Dividend Tax	**47**	**256**	40	194
Insurance Reserve	**4**	**20**	4	20
Bond Redemption Reserve	**97**	**528**	131	627
CSR Reserve	**4**	**22**	-	-
General Reserve	**92**	**500**	397	1,900
Balance carried to Balance Sheet	**399**	**2,174**	-	-

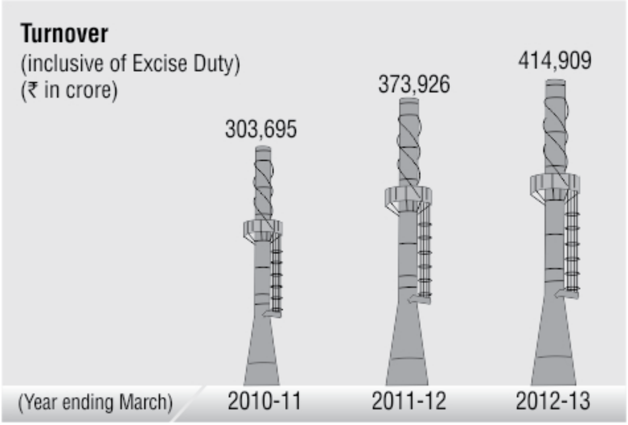
PHYSICAL

Million Metric Tonnes (MMT)

	2012-13	2011-12
Refineries Throughput	**54.65**	55.62
Pipelines Throughput	**75.50**	75.55
Product Sales (incl. of Gas, Petrochemicals & Exports)	**76.24**	75.66

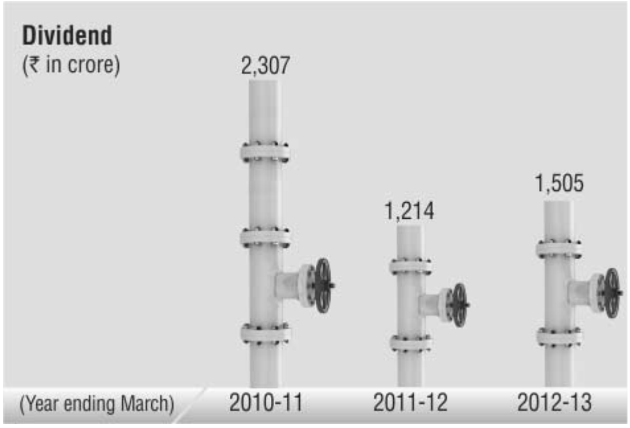
SHARE VALUE

	2012-13		2011-12	
	US$	₹	US$	₹
Cash Earning per share	**0.77**	**42.04**	0.76	36.34
Earning per share	**0.38**	**20.61**	0.34	16.29
Book value per share	**4.64**	**251.75**	4.69	238.38



DIVIDEND

The Board of Directors is pleased to recommend a dividend of 62%, i.e., ₹ 6.20 per equity share of ₹ 10/- each, on the Paid-up Share Capital as against ₹ 5.00 per share in the previous year. Your Corporation has been consistently paying dividend for the past 46 years. So far, the Corporation has paid a cumulative dividend of ₹ 22,096 crore, excluding the dividend of ₹ 1,505 crore payable for the current year, subject to approval by shareholders. The dividend shall be paid to the members whose names appear in the Register of Members as well as the Beneficial Ownership Position provided by NSDL/CDSL as on 23rd August, 2013.

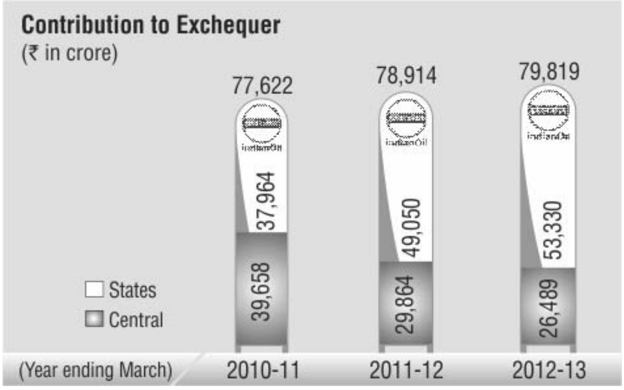


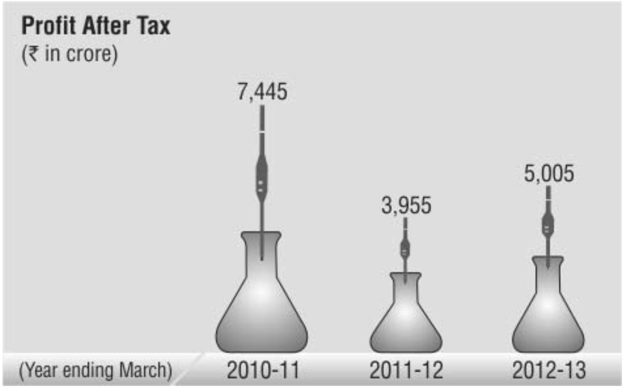
PUBLIC DEPOSIT SCHEME

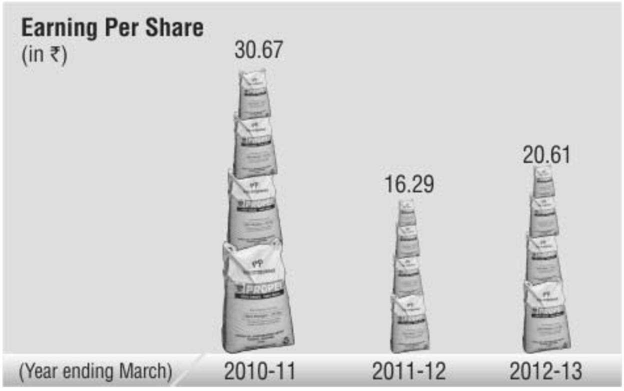
The Public Deposit Scheme was closed with effect from 31st August, 2009. The total outstanding deposits as on 31.03.2013 are ₹ 55,000/-.

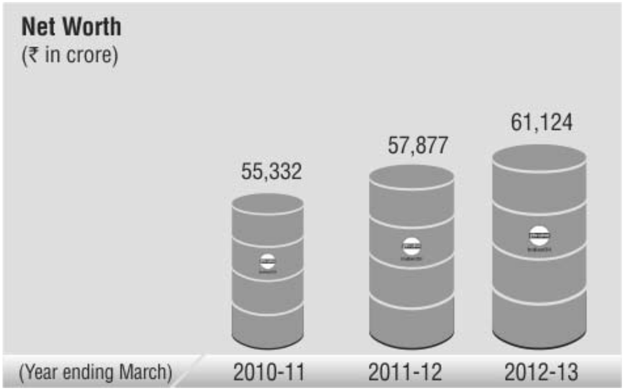
CONTRIBUTION TO EXCHEQUER

The Corporation has consistently been the largest contributor to the national exchequer in the form of duties and taxes. During the year, ₹ 79,819 crore was paid to the exchequer as against ₹ 78,914 crore in the previous year. ₹ 26,489 crore was paid to the Central Exchequer and ₹ 53,330 crore to the State Exchequers as against ₹ 29,864 crore and ₹ 49,050 crore paid in the previous year to the Central and State Exchequers respectively.

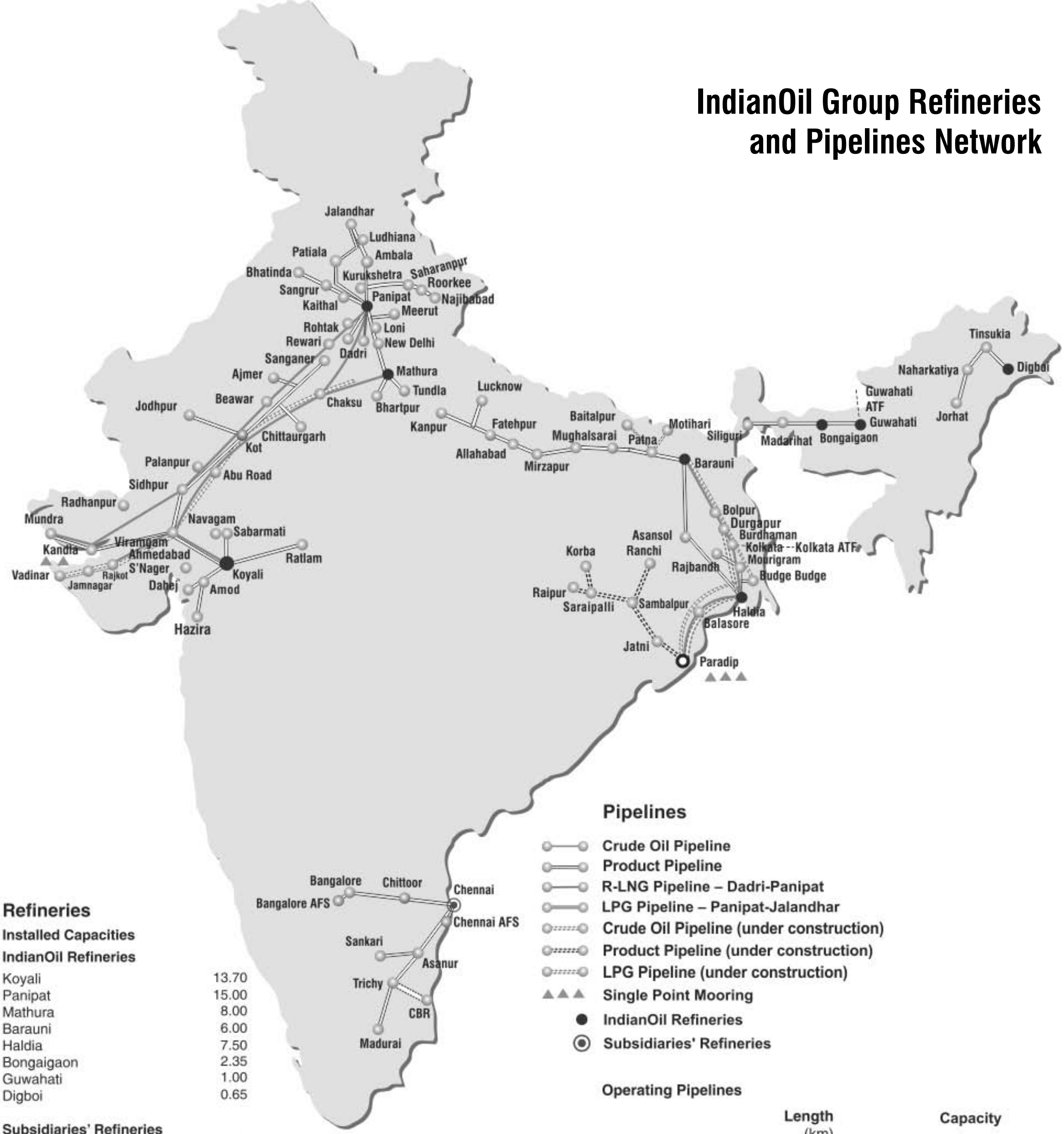








IndianOil Group Refineries and Pipelines Network



Pipelines

- Crude Oil Pipeline
- Product Pipeline
- R-LNG Pipeline – Dadri-Panipat
- LPG Pipeline – Panipat-Jalandhar
- Crude Oil Pipeline (under construction)
- Product Pipeline (under construction)
- LPG Pipeline (under construction)
- ▲▲▲ Single Point Mooring
- ● IndianOil Refineries
- ◉ Subsidiaries' Refineries

Refineries

Installed Capacities

● **IndianOil Refineries**	
Koyali	13.70
Panipat	15.00
Mathura	8.00
Barauni	6.00
Haldia	7.50
Bongaigaon	2.35
Guwahati	1.00
Digboi	0.65
◉ **Subsidiaries' Refineries**	
CPCL, Chennai	10.50
CPCL, Narimanam	1.00
Group Total	65.70
○ Paradip (upcoming)	15.00

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

Operating Pipelines

	Length (km)	Capacity
Crude Oil Pipelines	4,448	40.40 MMTPA
Product Pipelines	6,632	36.85 MMTPA
Gas Pipeline	134	9.5 MMSCMD
Total	**11,214**	

(As on 31st March 2013)

(Map not to scale)

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:

	2012-13		2011-12	
	US$ million	₹ in crore	US$ million	₹ in crore
Turnover (inclusive of Excise Duty)	79,328	431,940	80,977	388,044
Profit Before Tax	827	4,504	834	3,995
Profit After Tax	666	3,627	890	4,265
Less: Share of minority	(151)	(822)	8	39
Profit for the group	817	4,449	882	4,226

CORPORATE GOVERNANCE

The Corporate Governance Report and Management's Discussion & Analysis Report have been incorporated as separate sections, forming part of the Annual Report. The Corporation has been recently adjudged the winner of two prestigious awards for excellence in Corporate Governance, viz., ICSI National Award 2012 for Excellence in Corporate Governance from the Institute of Company Secretaries of India and the Gold Trophy of the SCOPE Meritorious Award for Corporate Governance for the year 2011-12.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report forms part of the Annual Report in accordance with directives of SEBI vide circular dated 13th August, 2012 mandating the Top 100 listed entities (including the Corporation) to include Business Responsibility Report on initiatives related to environmental, social & governance perspective.

SECRETARIAL AUDIT

As a good corporate governance practice, the Corporation has carried out a secretarial audit of its records and documents for the year 2012-13. The Secretarial Audit Report confirms that the Corporation has complied with all the applicable provisions of the corporate laws, guidelines, rules, etc. The Report, duly certified by a practising Company Secretary, is provided separately in the Annual Report.

CODE OF CONDUCT

The Board of the Corporation has enunciated a code of conduct for the Directors and Senior Management Personnel, 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, except Shri Sudhir Bhalla, Director(HR), who is in a serious medical condition.

MoU PERFORMANCE

The Memorandum of Understanding (MoU) is signed every year between the Corporation and its administrative Ministry, MoP&NG, Govt. of India with the aim to enhance the performance level of the Corporation as per the targets set therein. The MoU for the year 2012-13 was signed between the Chairman and the Secretary(P&NG), Govt. of India on 30th March, 2012.

The thrust while fixing MoU targets was more towards the long term aspects and broadly covered all the critical operations of the Corporation which include Crude throughput, Project implementation, Capital expenditure, Distillate yield, Safety, Quality and new areas of Business Development. Specific weightage has also been allocated to the areas of CSR, HRD, Sustainable Development, R&D and Corporate Governance.

Hon'ble President of India, Shri Pranab Mukherjee inaugurating PETROTECH-2012

Despite the challenges, the Corporation was able to meet all the physical targets and all the mandatory parameters as per 2012-13 MoU targets signed with the Government. The Corporation has earned Excellent rating consistently for its performance in MoU ratings since 1989-90 to 2011-12 (except in 2006-07). The evaluation for 2012-13 MoU ratings is yet to be carried out by the Government.

OPERATIONAL PERFORMANCE

Refineries

The Corporation's refineries achieved a brilliant performance during the year. The eight refineries of the Corporation achieved a combined crude oil throughput of 54.65 million tonnes during the year, with an overall capacity utilisation of 100.8%, as against a throughput of 55.62 million tonnes and capacity utilisation of 102.6% in the previous year. The refineries have been consistently registering an overall capacity utilisation of over 100% for the last six years. The refineries achieved the highest combined distillate yield of 78.1 wt% during the year, surpassing the previous best of 77.8 wt% in the previous year. They also recorded the lowest ever specific energy consumption of 56.3 MBN during the year. High-sulphur crude processing was maximised and the highest ever percentage of high-sulphur crude (53.3% of the total crude) was processed during the year.

ENCON awards for energy conservation

Pipelines

The Corporation's pipelines continued to deliver significant performance and achieved a throughput of 75.50 million tonnes during the year as against 75.55 million tonnes last year. The product pipelines achieved the highest ever throughput of 28.09 million tonnes and the crude oil pipelines registered a throughput of 47.40 million tonnes as against throughputs of 27.96 million tonnes and 47.59 million tonnes respectively during the previous year. The throughput of the gas pipeline increased by 43%, from 671 MMSCM in the previous year to 960 MMSCM in 2012-13. The total length of your Corporation's network of crude oil, product and gas pipelines as on 31.03.2013 was 11,214 km.

Sub-sea Pipeline

Marketing

Despite the many challenges faced during the year, the Corporation performed with aplomb, exploiting opportunities with passion, with focus on offering customers better value for money and added benefits through its products and services. The Corporation continued to maintain its leadership in the market with domestic sales of 68.76 million tonnes of petroleum products during the year vis-a-vis 68.10 million tonnes in 2011-12. During the year, the highest ever number of 1910 retail outlets were commissioned, out of which 1050 were Kisan Seva Kendra (KSK) outlets. The KSK outlets contributed about 10% of the total sales of MS and HSD in the retail segment. During the year, 1600 retail outlets were automated, taking the total number of automated retail outlets to 4377.

During the year, the Corporation enrolled 68.9 lakh new *Indane* LPG customers and commissioned 142 regular LPG distributorships, taking their total to 734.2 lakh customers and 5523 distributors. The Corporation's focus on reaching out to rural customers continued with the commissioning of 422 *Rajiv Gandhi Gramin LPG Vitarak* distributorships during the year, taking their total strength to 944. LPG bottling capacity was augmented during the year by 615 thousand metric tonnes per annum raising the total bottling capacity as on 31.03.2013 to 6793 TMTPA. The market share in Auto-LPG sales increased by 2% during the year, with sales of 110.6 TMT.

The Corporation sold 408.5 TMT of finished lubes during the year 2012-13 as compared to 435 TMT in the previous year. The decline in sales is mainly due to unprecedented impact of economic recession during the year resulting in negative growth of 3.4% in the industry compared to average of 2% industry growth during the previous years. Export of *SERVO* to three new destinations Madagascar, Maldives and Kenya was commenced during the year, expanding the coverage of the brand to 24 overseas markets. During the year, *SERVO Futura Synth*, a 100% synthetic engine oil, was launched for top-end cars and SUVs.

The Corporation continues to be the market leader in the aviation fuel business with a market share of 63.5% and enjoys leadership in all major segments, such as domestic airlines, international airlines and defence services and scheduled airlines, through its 97 Aviation Fuel Stations across the country.

Assam Oil and IBP Divisions

The Assam Oil Division (AOD) continued to play a vital role in ensuring supply of petroleum products in the north-east region. The Digboi Refinery processed 0.66 million tonnes of crude oil during the year as against 0.62 million tonnes of crude oil processed last year.

The IBP Division, which comprises Explosives and Cryogenic businesses, earned revenue of ₹ 261.00 crore during the year, registering a growth of 31% over the previous year. The highest ever sales of 18,453 cryocans was registered during the year.

IndianOil Retail Outlet, Leh

PROJECTS

Timely completion of projects is accorded the highest priority by the Corporation, and the project teams have been ensuring that the construction and commissioning of the projects are done seamlessly. The list of the major completed and ongoing projects is as under:-

Completed Projects

- Coke chamber replacement and modernisation of Delayed Coker unit at Guwahati Refinery.
- Augmentation of the capacity of the Chennai-Bangalore product pipeline from 1.45 million tonnes to 2.45 million tonnes per annum.
- Hook-up of Tikrikalan Terminal with Mathura-Jalandhar product pipeline.
- Tanks and blending facilities at Vadinar.
- Integrated offshore crude oil handling facilities at Paradip.
- Viramgam-Kandla Branch Pipeline.
- Automation of 16 product storage terminals.
- Automation of 1600 retail outlets.
- Remodelling & automation of Allahabad Terminal.

Ongoing Projects

- 15 million tonnes per annum grassroots refinery at Paradip, Odisha.
- Revamp of Fluidised Catalytic Cracking (FCC) unit at Mathura Refinery.
- Butadiene extraction unit at Panipat Naphtha Cracker complex.
- Butene-1 at Panipat Naphtha Cracker complex.
- Reverse Osmosis (RO) unit for effluent treatment plant water at Koyali Refinery.
- Installation of one new gas turbine along with heat recovery steam generator at Koyali Refinery.
- Debottlenecking of Salaya-Mathura crude oil pipeline.
- Augmentation of the Paradip-Haldia-Barauni crude oil pipeline.
- Cauvery Basin Refinery - Trichy product pipeline.
- Paradip-Raipur-Ranchi product pipeline and associated tap off point.
- Paradip-Haldia-Durgapur LPG pipeline.
- Ennore-Trichy-Madurai LPG pipeline.
- Mourigram-Kolkata Airport ATF pipeline.
- Noonmati-Guwahati Airport ATF pipeline.
- New tap off point at Jasidih, Jharkhand on the Haldia-Barauni-Kanpur pipeline.
- Modernisation of lube blending plant at Trombay.
- LPG import terminal at Kochi.
- LPG bottling plants at Mysore and Tirunelveli.
- Terminal at Chittoor on Chennai-Bangalore Pipeline.
- Product evacuation facilities at Paradip.

RESEARCH & DEVELOPMENT

The year 2012-13 continued to be an eventful year for the Corporation's R&D Centre at Faridabad. As a major initiative in refinery technology, steps were taken to set up a demonstration unit at Guwahati Refinery based on INDAdept[G]

Testing Lab at R&D Centre, Faridabad

technology developed by the R&D Centre for desulphurisation of heavy *Indmax* gasoline. The efficacy of this adsorbent technology received a fillip before its actual demonstration by way of grant of US patent. Studies carried out for the DHDT unit of Panipat Refinery resulted in significant financial benefits. A new multifunctional additive package has been developed for the mainline engines of pipelines, which demonstrated significant benefits by way of fuel savings.

Lubricant technology research continued to pay rich dividends in terms of new generation product development, with 120 new formulations during the year, resulting in 43 OEM approvals, including approval for a diesel engine oil, marine oil and transformer oil from reputed customers.

A record number of 52 patent applications were filed during the year, while eight patents were granted.

The newly-formed IOC-DBT Bioenergy Research Centre successfully commissioned India's first ever multi-feed pilot plant for conversion of lignocellulosic biomass to ethanol. On the alternative energy front, the Corporation's R&D Centre firmed up an agreement with L&T for production of gasifiers based on its patented 'integrated gasification' concept. The Corporation also joined the consortium on the National Mission on Clean Coal Technologies (NMCCT) under the Government of India for further collaborative research on gasification with DRDO, CII, L&T and Thermax.

EXPANDING BUSINESS

In line with the Corporation's Vision of being the 'Energy of India' and becoming 'a globally admired company', the Corporation continues to endeavour to extend its business frontiers beyond core refining, transportation & marketing business to related segments across the entire energy spectrum. The investments and monetisation of opportunities in petrochemicals, gas and upstream sectors is part of these efforts.

Petrochemicals

The Corporation is now the second largest player in the domestic petrochemicals market. It is also the market leader in Linear Alkyl Benzene(LAB) used in detergent manufacture, and in Mono Ethylene Glycol (MEG) used in the polyester industry. Polymer sales too recorded a growth of 41.6%. During the year, the Corporation retained its position as the preferred supplier of Purified Terephthalic Acid (PTA) and achieved the highest ever annual sales of 557 TMT.

Board Members of IndianOil at PDRP Site

The Corporation's domestic petrochemical sales recorded a growth of 23.9% and reached the highest ever level of 1.8 MMT during the year. Petrochemical exports reached a new milestone of 108.6 TMT, recording a growth of 42.5%, with Corporation's reach extending to new markets in Latin America, CIS countries and Europe. Five new grades of Poly-ethylene / Polypropylene were developed in-house for niche application segments to deliver more value to customers.

Gas

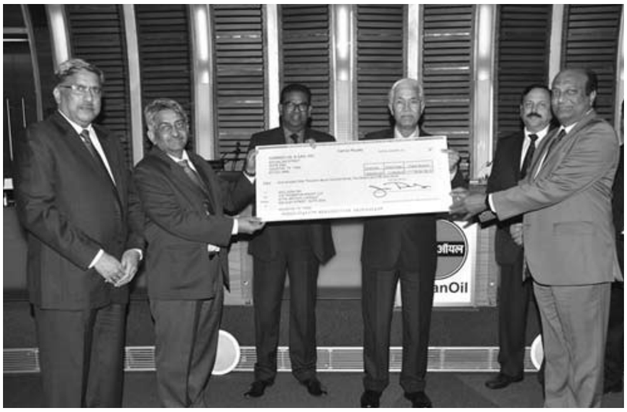
The gas business of the Corporation is intent upon leveraging the sizeable opportunities being presented by the country's growing demand for gas and the increased international gas sourcing opportunities brought on by the international unconventional gas revolution and the Liquefied Natural Gas (LNG) boom. During the year, the Corporation's gas sales grew by 6.2%, reaching the level of 1.83 MMT. LNG sales through 'LNG at the Doorstep' model, has been highly successful. During the year, the sales volumes of 'LNG at Doorstep' increased to 25835 MT, registering a growth of 77%.

The Corporation is currently implementing its first 5-MMTPA LNG import and re-gasification terminal at Ennore near Chennai, which will be the gateway for entry of natural gas into the Southern Indian market. The Corporation is a part of two joint ventures (GSPL India Gasnet Ltd. & GSPL India Transco Ltd.) with 26% equity participation for building of Mehsana-Bhatinda & Bhatinda-Jammu-Srinagar gas pipelines and Mallavaram-Bhopal-Bhilwara-Vijaypur gas pipeline respectively.

Exploration & Production (E&P)

The E&P portfolio of the Corporation consists of 13 domestic and 10 overseas blocks, which include 2 producing assets. The Corporation's share in the 2P reserves of the producing assets is estimated to be 119 MMBoe of oil & gas. Further, there are 7 blocks with oil & gas discoveries, 2 CBM blocks and 8 other blocks under various stages of exploration. Your Corporation is also sole operator in two on-land exploration blocks in Cambay basin, Gujarat where exploration activities are in progress.

During the year, the Corporation acquired 10% working interest from Carrizo Oil & Gas Inc. (USA) in the Niobrara shale oil producing asset in the State of Colorado, USA with effect from 1st October, 2012. In another overseas asset, Carabobo Project-1 in Venezuela, production of First Oil from the project commenced on 27th December 2012. As of 31st March, 2013, the total production achieved from Carabobo Project-1 is 28,315 barrels, wherein your Corporation's share is 991 barrels. The total production during 2013 is



IndianOil's First Revenue from Equity Oil expected to be about 2 to 3 million barrels, wherein the Corporation's share would be about 95,000 barrels. Further, in Area 95-96 Libya, where your Corporation has a participating interest of 25%, oil & gas discovery has been reported from the first exploratory well drilled in February, 2013 and further exploratory drilling is in progress.

Alternative Energy

During the year, your Corporation successfully commissioned five wind energy generators (~10.5 MW) at Vajrakarur in Andhra Pradesh. This takes the Corporation's installed wind power capacity in Andhra Pradesh to 27.3 MW and its total installed wind power capacity across India to 48.3 MW. The grid-connected renewable energy generation during the year crossed the 100 GWh mark.

Wind Mills at Samakhiali, Gujarat

In bio-fuels, your Corporation's joint venture company, IndianOil-CREDA Biofuels Limited supplied demetaled and degummed *Jatropha* oil to *Chennai Petroleum Corporation Limited* for pilot studies on co-processing of vegetable oils for production of green diesel, which was successfully co-processed during the year using the R&D technology developed by the Corporation's R&D Centre.

Sustainable Development

The ecological footprint of the Corporation's operations is currently being assessed as a first step towards minimising it. During the year, eco-footprinting exercise was completed at 48 locations, wherein mapping of green house gas emissions, water consumption and waste generation was done on 'as is' basis. Additionally, during the year, energy audit of office buildings was carried out in 28 locations.

A number of mitigation actions, such as commissioning of rainwater harvesting systems, solarisation of retail outlets, installation of organic waste converters, organising carbon-neutral events, sustainability seminar and conducting awareness generation programmes were initiated during the year. The Corporation's Sustainability Report 2011-12 with A+ rating certified by M/s.DNV was also released during the year.

Consultancy Services

The Corporation has been providing consultancy services especially in Africa and the Middle East. Emirates National Oil Company, Dubai extended the technical services agreement and manpower secondment agreement with the Corporation for the 15th consecutive year. During the year, the Corporation through competitive bidding, secured and successfully executed a consultancy assignment for Kuwait National Petroleum Company undertaking Pilot Plant test run of diesel samples aiming at Sulphur reduction to stipulated levels.

INTERNATIONAL TRADE

The Corporation imported 42.53 million tonnes of crude oil amounting to ₹ 1,84,559 crore during the year, as against 43.54 million tonnes amounting to ₹ 1,73,323 crore in the previous year, to meet its requirements through a carefully selected and diversified mix of supply sources. In addition, the Corporation imported crude oil amounting to ₹ 37,279 crore during the year on behalf of Chennai Petroleum Corporation Limited (subsidiary company) as against crude oil amounting to ₹ 36,392 crore in the previous year. The import of petroleum products during the year was 4.26 million tonnes, amounting to ₹ 21,289 crore, as against 4.58 million tonnes amounting to ₹ 20,885 crore in the previous year. The Corporation also exported petroleum and petrochemical products worth ₹ 18,549 crore during the year as against ₹ 19,618 crore in the previous year.

BUSINESS PROCESS OPTIMISATION

The Business Process Optimisation group of the Corporation continued to play a vital role in fine-tuning and optimising crude oil and product procurements and supply chain management. In order to improve refinery margins through reduction in input cost, several initiatives were taken to process new and cheaper crudes. During the year, 10 new opportunity crudes were procured and processed by the Corporation's refineries. High-Sulphur crude processing also increased from 49.2% to 53.3%. In addition, crude and product inventories were managed through optimum purchases and imports/exports. Investment proposals for new projects were evaluated under various scenarios of demand and prices through optimisation models, which helped in assessing the net impact of the investment on the overall corporate profitability.

INFORMATION SYSTEMS

The Corporation maintained 100% uptime of SAP operations during the year. A smartphone mobile application "mPower' was launched during the year for retail sales officers in field locations to improve their productivity. The application, built on Android platform, helps the field officers to access MIS reports while on the move.

HEALTH, SAFETY & ENVIRONMENT (HSE)

The Corporation is committed to conduct its business with a strong environment conscience, ensuring sustainable development, safe workplaces and enrichment of the quality of life of its employees, customers and the community at large. All the refineries of the Corporation are certified to ISO:14064 standards for sustainable development as well as for the Occupational Health & Safety Management System (OHSMS/OHSAS-18001), besides having fully equipped occupational health centres. Compliance with safety systems and procedures and environmental laws is monitored at the unit level, divisional level and corporate level. The HSE activities of the Corporation are reviewed in every Board meeting. In addition, the Board Committee on Health, Safety & Environment periodically reviews the HSE activities of the Corporation.

ENERGY CONSERVATION

The Corporation maintains continuous thrust on energy conservation at all of its refineries and units through extensive performance monitoring and by keeping abreast of the latest technological developments and global best practices. As a result of various energy conservation measures undertaken, the energy index in terms of MBN* of the Corporation's refineries during the year is down to 56.3, which is the best ever achieved, as against the figure of

IndianOil's Board Members at the Security Week Commemoration

57 in the previous year. The energy conservation schemes implemented during the year resulted in estimated fuel savings of 120,000 standard refinery fuel tonne (SRFT), valued at about ₹ 450 crore.

*MBN– Thousand British Thermal Unit / Barrel / Energy Factor (MBTU/BBL/NRGF)

HUMAN RESOURCES

The employee strength of the Corporation was 34,084 as on 31.03.2013; consisting of 14,981 executives and 19,103 non-executives. This includes 2,643 women employees comprising 7.75% of the total workforce. The Industrial relations climate in the Corporation continued to remain harmonious and peaceful during the year. A number of initiatives were taken to improve the effectiveness of your Corporation's human resource systems and processes. The Corporation continued to provide comprehensive welfare facilities to all members of the IndianOilFamily.

IndianOil focusses on improving the skills of its human asset

The Corporation believes that participation of employees in management fosters a sense of importance, pride and accomplishment and also enhances the sense of workmanship, innovation and creativity. The Corporation has, therefore, always supported participative culture in management by adopting a consultative approach with the collectives and establishing harmonious relations for enhancing operational efficiency and industrial peace & harmony, leading to higher productivity. Efforts to promote employees' participation in various activities, like Suggestions Scheme, Quality Circles, welfare, safety, Total Productive Maintenance (TPM), etc. continued during the year. Participation was also ensured through information sharing by the top management with employees on a regular basis, seeking their support, suggestions and co-operation.

In line with its mission statement, the Corporation is committed to diversity and inclusiveness. Women development and gender equality continue to be emphasised by your Corporation. Women employees are rendered support through various initiatives to deal with their dual obligations with optimum results both for them and for the organisation. All women employees have equal opportunities, equal rights and equal responsibilities. Your Corporation's efforts for women development have been recognised by the Forum of Women in Public Sector as it was adjudged the second best enterprise for women development for initiatives undertaken during the year 2011-12.

The Corporation took landmark initiatives in human resource development during the year. Some of the key initiatives that were implemented include opening up of the Annual Performance Appraisal ratings for viewing by individuals, introduction of Leadership Centres/ multi-rater feedback mechanism for measurement of performance in succession management and leadership management; employee engagement survey; re-opening of the voluntary retirement scheme, etc.

The Presidential Directives and various instructions/guidelines issued by the Government of India with regard to reservation in services for SCs/STs/PH/OBCs etc. were scrupulously followed. It has been the endeavour of your Corporation to utilise 25% of its community development funds towards Special

Component Plan (SCP) and Tribal Sub Plan (TSP) for meeting the needs of the weaker sections. Liaison officers were appointed at various locations/units/installations all over the country to ensure implementation of Government directives. Reports in the prescribed form relating to representation of SCs/STs/OBCs is annexed as Report I & II.

The Corporation is implementing the provisions of the Disabilities Act 1995 by way of 3% reservation for physically challenged and disabled persons. In addition, various concessions and relaxations are being extended to physically challenged persons in the recruitment process.

Hon'ble MoS, MoP&NG, Ms. Panabaka Lakshmi at IndianOil's Corporate Office

In compliance with 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. In all offices/units/locations of the Corporation, Committees are functioning for implementing Official Language work effectively and to review the progress of implementation of Official Language policies in the offices as also the Annual Programme as circulated by the Deptt. of Official Language, Govt. of India.

Hon'ble Former President of India, Dr. A.P.J. Abdul Kalam, at Guwahati Refinery

Foreign Tours

The officers of the Corporation undertook 317 foreign tours during the year 2012-13 for business purposes and for attending conferences, seminars and training programmes. The total expenditure on foreign tours was ₹ 8.60 crore.

VIGILANCE

The objective of Vigilance is to ensure maintenance of the highest level of integrity throughout the Corporation. To achieve this objective, the Vigilance group carries out preventive and punitive functions, with greater emphasis on the preventive aspects. During the year, 35 Vigilance Awareness Programmes were conducted, which were attended by over 800 employees. In order to promote transparency and efficiency in the working of the Corporation, various initiatives like e-tendering, bill watch system, standardisation of schedule of rates, file tracking system, etc., were introduced during the year.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) has been the cornerstone of success right from inception of the Corporation and its corporate strategy is aligned to national priorities and envisions a greater societal role in future to accomplish

IndianOil Olympians felicitated on IndianOil Day

the cherished goal of a truly developed India, where all sections of society live with dignity. The Corporation has been supporting large number of social welfare and community development initiatives. A report on CSR has been incorporated as separate section forming part of the Annual Report.

REMUNERATION TO THE AUDITORS

The Auditors' remuneration for the year 2012-13 has been fixed at ₹ 93 lakhs plus applicable taxes. In addition to this, reasonable out-of-pocket expenses actually incurred are also reimbursable.

PUBLIC PROCUREMENT POLICY FOR MSMEs 2012

The Corporation is making endeavours to comply with the Public Procurement Policy for MSMEs as per directives of the Govt. of India and necessary steps have been initiated in this regard in all the Divisions of the Corporation.

COST AUDIT REPORT

In accordance with the directives of the Central Government, Cost Auditors were appointed for conducting the Cost Audit of Refineries, Lube Blending Plants, and other units of the Corporation for the year 2012-13. The Cost Audit for the year 2011-12 was carried out for the refineries, lube plants etc. and the Cost Audit report was filed by the Central Cost Auditor with the Central Govt. in the prescribed form within the stipulated time period.

Hon'ble Union Minister, MoP&NG, Dr. M. Veerappa Moily inaugurating an IndianOil CSR initiative

Entertainment Expenses

The entertainment expenses for the year 2012-13 were ₹ 2.96 crore as compared to ₹ 2.46 crore last year.

SUBSIDIARIES

The financial performance of following subsidiaries of the Corporation is as under:-

(₹ in Crore)

Subsidiary	Turnover		Net Profit		Dividend	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Chennai Petroleum Corporation Ltd.	46,842	45,385	(1,767)	62	-	20%
IndianOil-CREDA Biofuels Ltd.	2	0	-	-	-	-
IndianOil (Mauritius) Ltd.	1,274	1,192	19	37	6%	6%
Lanka IOC Plc.	3,147	2,557	122	38	-	-
IOC Middle East FZE	40	95	3	4	30%	20%
IOC Sweden AB	-	-	(1)	17	-	-
IOCL (USA) Inc.	10	-	1	-	-	-

Summary of Financial Information of Subsidiary Companies for the Financial Year 2012-13 has been incorporated separately in the Annual Report.

REPORT ON ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS

In accordance with the Company's (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, a report on Energy Conservation, Technology Absorption and Foreign Exchange earnings & outgo is annexed.

PARTICULARS OF EMPLOYEES

As per Notification No. GSR 289(E) dated 31st March, 2011 issued by the Ministry of Corporate Affairs, Govt. of India, amending the provisions of the Companies (Particulars of Employees) Rules, 1975 issued in terms of Section 217(2A) of the Companies Act, 1956, Government companies are not required to include the statement of particulars of employees drawing remuneration of ₹ 60 lacs or more per annum, if employed throughout the financial year or ₹ 5 lacs per month, if employed for part of the financial year. The information has not been included as part of the Directors Report as per the said Notification as IndianOil is a Government Company.

IndianOil Refinery, Haldia

Dadri gas pipeline

World's highest IndianOil bulk depot at Leh

BOARD OF DIRECTORS

During the year, the following Directors ceased to be Directors on the Board of the Corporation :-

- Shri Anees Noorani, Independent Director w.e.f. 15.09.2012.
- Smt. Sushama Nath, Independent Director w.e.f. 24.01.2013.
- Dr. (Smt.) Indu Shahani, Independent Director w.e.f. 14.02.2013.
- Prof. Gautam Barua, Independent Director w.e.f. 14.02.2013.
- Shri Michael Bastian, Independent Director w.e.f. 14.02.2013.
- Shri N.K. Poddar, Independent Director w.e.f. 14.02.2013.
- Shri Sudhir Bhargava, Govt. Nominee Director w.e.f. 09.05.2013.

The following Directors were appointed on the Board of the Corporation:

- Dr. S.C. Khuntia, Govt. Nominee Director w.e.f. 9.8.2012.
- Prof. Devang Khakhar, Independent Director w.e.f. 14.09.2012 (afternoon).
- Shri Rajive Kumar, Govt. Nominee Director w.e.f. 02.07.2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under 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 2013, all applicable accounting standards have 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 2013 on a 'going concern' basis.

ACKNOWLEDGEMENTS

The Board of Directors would like to place on record its deep appreciation of the dedicated efforts and valuable services rendered by the members of the IndianOilFamily in the Corporation's achievements during the year 2012-13. 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. The Board is also grateful to all its stakeholders like bankers, investors, customers, consultants, technology licensors, contractors, vendors etc. for their continued support and confidence reposed in the Corporation. The Board wishes to place on record its appreciation of the valuable advice and significant contribution made by Shri Anees Noorani, Smt. Sushama Nath, Dr. (Smt.) Indu Shahani, Prof. Gautam Barua, Shri Michael Bastian, Shri N.K. Poddar and Shri Sudhir Bhargava during their tenure on the Board.

For and on behalf of the Board

Place : New Delhi
Dated : 11th July, 2013

(R.S. Butola)
Chairman

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 Energy Conservation projects have been implemented during 2012-13 in refineries resulting in saving of 120,000 Standard Refinery Fuel Tonne (SRFT) in the year equivalent to about ₹ 450 crore. Some of the major schemes in this regard are as under:

Sl. No.	Particulars	Estimated Fuel Saving (Standard Fuel Equivalent) MT/Year
1	Utilisation of CGO CR for reboiling CL-20 bottom in place of MP steam in DCU LRU section at Guwahati Refinery	1400
2	Commissioning of TG-1 on full back pressure mode at Barauni Refinery	7900
3	Reduction in gas / oil ratio in DHDT at Barauni Refinery	4570
4	Increase in HP steam header pressure ex TPS from 34 to 37.5 Kg/cm^2 (g) at Gujarat Refinery	4000
5	Vacuum improvement in VDU from 80/100 mm Hg (abs) to 60/70 mm Hg (abs) at Gujarat Refinery	3000
6	Reduction in gas to oil ratio in OHCU from 570 NM3 / hr to 400-450 NM3/hr at Haldia Refinery	2350
7	Reducing De-iso-hexaniser reflux ratio from 7.0 to level of 3.75 at Mathura Refinery	1150
8	Change of catalyst in OHCU and tightening of feed/effluent exchanger at Panipat Refinery	9140
9	Installation of magnetic resonators in GTs as well as AVU & DCU furnace at Digboi Refinery	320
10	Preheat Train optimization in CDU-I from 227 to 270 Deg C at Bongaigaon Refinery	3900

b) Additional investment and proposals, if any, being implemented for Energy Conservation:

MAJOR SCHEMES UNDER IMPLEMENTATION:

Guwahati Refinery :

- BFW preheating from DCU stabilizer bottom for increase in steam generation
- IFO emulsification in TPS

Barauni Refinery :

- Routing of CRU off-gas directly to DHDT MUG compressor 1st stage suction
- Installation of Kettle Heat Exchanger in DHDT

Gujarat Refinery :

- AU-III preheat improvement by replacement of old exchangers
- Routing of FPU-II & VDU hot well off-gases to furnace
- LP steam generation from FCC LCO stream

Haldia Refinery :

- Upgradation of GT-2 1st/2nd stage turbine seals
- Routing of GT#1 atomising air cooler DM water to HRSG#1 deaerator
- Additional condensate recovery & steam savings from offsite

Mathura Refinery :

- Replacement of burners in CDU furnaces
- CDU Preheat improvement
- Provision of additional air coolers in CDU overhead and trim cooler in stabilizer overhead to allow low pressure operation of CDU column
- Direct routing of CCRU H_2 rich gas to H_2 header
- Provision of additional condenser in the CCRU Ammonia refrigeration system

Digboi Refinery :

- Diversion of MSQU LPG rich off-gas to LRU for recovery of LPG.
- Reduction in steam consumption through steam trap management

Panipat Refinery :

- Installation of Magnetic resonators in all GTs, UB, VHP and HRSGs fuel lines
- H_2 recovery from MP separators vapor streams of DHDT
- Reduction of MP steam consumption in HP Heaters of VHP Boilers
- Use of surplus MLP steam instead of HP steam in IFO heaters at TPS
- Utilization of LP steam to heat NSU-2 feed from 82^{0}C to 107^{0}C
- Installation of evaporative coolers in inlet air manifolds for one GT-4
- Utilization of heavy naphtha to heat NSU-1 feed from 93^{0}C to 105^{0}C
- Replacement of PRDS (VHP to HP) operation in TPS (BFW Pump) by turbo drive
- Gas burners modification in VHP Boilers–1& 2 (Retrofitting of in-house developed Gas burners nozzles in line with VHP Boiler-3.).
- Online cleaning in AVUs, Xylene & VHP boilers

Bongaigaon Refinery :

- Commissioning of new GTG along with HRSG
- Routing of H_2 rich gas ex-CRU to DHDT MUG compressor suction
- Preheat train optimization in CDU-II (preheat improvement from 234^{0}C to 265^{0}C.
- Replacement of CDU-II stack damper.

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

The measures taken under item (a) resulted in savings of 120,000 SRFT in 2012-13. The impact of additional savings with major investments under item (b) in 2013-14 would be approx. 83000 SRFT.

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 in Form 'A'.

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 continued its stride to explore newer markets during the year by exporting its petroleum and petrochemical products. Servo lubricants were exported to three new destinations Madagascar, Maldives and Kenya during the year thereby, expanding the coverage of the brand to 24 overseas markets. The Petrochemical product exports grew by 43% during the year with exports to newer markets like Latin America, CIS Countries and Europe.

(b) Total foreign exchange used and earned

	(₹ in crore)
Foreign Exchange earnings	18,559
Foreign Exchange used	2,50,055

IndianOil SPM, Vadinar

FORM 'A'

Form for Disclosure of particulars with respect to Conservation of Energy

					2012-13	2011-12
A	**Power and Fuel Consumption :**					
	1.	**Electricity:**				
		a)	**Purchased**			
			Unit ('000 KWH)		**57596**	52757
			Rate/Unit		**8.05**	6.75
			Amount (₹/Lakhs)		**4639**	3564
		b)	**Own Generation**			
			i)	Through Duel Fuel (HSD/Natural Gas Generators)		
				Unit ('000 KWH)	**3946144**	3884784
				KWH per MT of Std Fuel	**7823**	7997
				Cost/Unit (₹/KWH)	**4.61**	4.39
			ii)	Through Steam Turbine/Generators		
				Unit ('000 KWH)	**1060953**	1096797
				KWH per MT of Std Fuel	**3413**	3125
				Cost/Unit (₹/KWH)	**9.29**	8.93
		c)	**Electricity Consumed**			
			(a+b) ('000 KWH)		**5064693**	5034338
	2.	**Coal**			**-**	-
	3.	**Liquid Fuel (FO / Naphtha/ Diesel)**				
		Qty (MTs)			**1805212**	1935311
		Amount (₹/Lakhs)			**669725**	661806
		Average Rate (₹/MT)			**37100**	34196
	4.	**Others / Internal Fuel**				
		a)	**Internal Fuel**			
			i)	**Fuel Gas**		
				Unit (MTs)	**2003430**	1863039
				Amount (₹/Lakhs)	**720639**	620230
				Average Rate (₹/MT)	**35970**	33291
			ii)	**Coke**		
				Unit (MTs)	**324159**	336627
				Amount (₹/Lakhs)	**59801**	52562
				Average Rate (₹/MT)	**18448**	15614
		b)	**Purchased Fuel**			
			Natural Gas			
			Unit (MTs)		**858142**	810671
			Amount (₹/Lakhs)		**297560**	223396
			Average Rate (₹/MT)		**34675**	27557
B	**1.**	**Consumption per MT of Production: PETROLEUM**				
		(i)	**Actual Production ('000 MTs)**		**48561.38**	49753.34
		(ii)	**Consumption per MT of Product**			
			- Electricity (KWH/MT)		**76.878**	75.865
			- Liquid Fuel (MT/MT)		**0.034**	0.036
			- Fuel Gas/LDO/Coke (MT/MT)		**0.038**	0.036
			- Natural Gas (MT/MT)		**0.013**	0.012
	2.	**Consumption per MT of Production : LAB**				
		(i)	**Actual Production ('000 MTs)**		**118.764**	101.640
		(ii)	**Consumption per MT of Product**			
			- Electricity (KWH/MT)		**577.844**	589.994
			- Liquid Fuel (MT/MT)		**0.541**	0.550
			- Fuel Gas/LDO/Coke(MT/MT)		**0.174**	0.214
			- Natural Gas (MT/MT)		**0.000**	0.000
	3.	**Consumption per MT of Production : PTA**				
		(i)	**Actual Production ('000 MTs)**		**567.275**	554.686
		(ii)	**Consumption per MT of Product**			
			- Electricity (KWH/MT)		**385.141**	404.964
			- Liquid Fuel (MT/MT)		**0.138**	0.180
			- Fuel Gas/LDO/Coke(MT/MT)		**0.220**	0.220
			- Natural Gas (MT/MT)		**0.059**	0.042
	4.	**Consumption per MT of Production : PNCP**				
		(i)	**Actual Production ('000 MTs)**		**1440.385**	984.459
		(ii)	**Consumption per MT of Product**			
			- Electricity (KWH/MT)		**725.011**	989.102
			- Liquid Fuel (MT/MT)		**0.012**	0.001
			- Fuel Gas/LDO/Coke(MT/MT)		**0.238**	0.272
			- Natural Gas (MT/MT)		**0.138**	0.211
	5.	**Consumption per MT of Total Production**				
		(i)	**Actual Production ('000 MTs)**		**50687.800**	51394.125
		(ii)	**Consumption per MT of Product**			
			- Electricity (KWH/MT)		**99.919**	97.918
			- Liquid Fuel (MT/MT)		**0.036**	0.038
			- Fuel Gas/LDO/Coke(MT/MT)		**0.046**	0.043
			- Natural Gas (MT/MT)		**0.017**	0.016

FORM B

Form for disclosure of particulars with respect to technology absorption, research & development

1. **Specific areas in which R&D carried out by the Company**
   - Development of Refinery process technologies
   - Licensing and commercialization of refinery technologies
   - Technical services to refineries
   - Catalysts development for refining processes
   - Refinery Process Modeling
   - Crude assay and transportation
   - Trouble shooting, revamp and optimization in refineries
   - Petrochemicals & Polymers
   - Material failure Analysis, Corrosion and remaining life assessment
   - Development of Intelligent and Caliper pigs for monitoring health of crude oil and petroleum product pipelines.
   - Product development – Lubricant, Greases and Specialties
   - Boundary Lubrication and Metal Working Tribology
   - Specialty bituminous products
   - Development of fuel additives
   - Fuel and Emission Studies
   - Alternative fuels - HCNG, 2nd & 3rd Generation bio-fuels, Solar Energy
   - Biotechnology interventions for refinery ETP
   - Nano technological interventions for developing superior fuels and lubricants

2 **Benefits derived as a result of above study:**
   - During the year, record number of 52 Patents were filed which include 23 Indian and 29 foreign patents. 8 Patents were granted during the year (Indian - 3 and Foreign - 5)
   - A grass-root 20,000 TPA Food Grade Hexane unit based on joint technology of IndianOil R&D and EIL has been commissioned at HPCL- Mittal Energy Limited Refinery at Bhatinda in May'12.
   - Foundation stone for INDAdept^G unit (an IOC R&D developed technology for gasoline desulfurization) at Guwahati Refinery was laid during the year.
   - Performance guarantee test run of 0.154 MMTPA unit at Bongaigaon Refinery based on IOC R&D developed light naphtha isomerization technology (Zeosom) was successfully completed.
   - Performance test run of in-house developed Residue Upgradation Additive was successfully conducted at Guwahati Refinery.
   - LPG Deasphalting Process has been implemented at Haldia refinery for dual mode operation – lube oil base stock (LOBS) and residual fluidized catalytic cracker (RFCC).
   - Panipat Refinery could achieve significant GRM improvement through heavy end up-gradation in DHDT based on R&D's technical recommendations.
   - Basic process package completed on the new "Synergistic Simultaneous Cracking" process for simultaneous cracking of lighter and heavier hydrocarbon feeds to produce improved yields of light olefins as petrochemical feedstocks.
   - Bongaigaon Refinery DHDT Optimization study was carried out, initially in pilot plants and later it was established in joint test run enabling the refinery to process 15% additional heavy coker streams than design potential.
   - A covert marker was developed for tracking kerosene adulteration in petrol and diesel. The identified marker is less launderable compared to other markers in the market and can be detected using Gas Chromatograph.
   - The problem of high catalyst loss in FCC unit of Gujarat, Mathura and Panipat refineries was analysed and technical input provided with recommendation for reduction of catalyst loss.
   - Evaluated the feasibility for production of Anode grade coke for two feed cases in post revamp scenario in one of the coker units of Barauni Refinery.
   - 40 MT of customized i-MAX additive for Guwahati IndMAX unit supplied to the refinery.
   - DHDS catalyst loaded at CPCL Refinery during the year 2009 has been performing satisfactorily and this formulation has been licensed to Sud Chemie India Ltd. for commercial offering. With this, IndianOil has become one of the ten global players in the DHDS catalyst technology.
   - Extensive benchmarking studies were completed on several IOC produced polyethylene and polypropylene grades vis-à-vis industry products.
   - Technical inputs provided to PNCC operations for optimizing the process parameters for producing High Density raffia grade (HD 010E52) polymers.
   - Intelligent Pigs (IPIG) of 18" & 24" sizes have been developed & adopted for field evaluation as a part of MoU project with BARC.
   - In-line inspection of 750 kms of IOC pipelines has been conducted using the indigenous IPIG tools.
   - Servo Pride Supreme Plus approved by Tata Cummins, both for Factory fill and Service fill for Cummins B series BS III Mechanical Engines.
   - Servo Marine 7050 & 0530 approved by M/s Mitsubishi Heavy Industries Ltd, Japan for their two stroke engines.
   - Development of 20W40 & 10W30 grade motorcycle oil (MCO) meeting latest 4-stroke MCO specifications completed and JASO listing obtained.
   - In line with Global Trends, Gasoline Engine oil of ultra low viscosity 0W-20 was developed as per Maruti Suzuki specifications.
   - Indian Railway's Research, Design and standards Organisation accorded approval for Servoelectra Plus for use in transformers of Indian Railways after elaborate testing.
   - New Roll Bite Lubricant, Servosteerol H_2 developed under MoU project with SAIL R&D with reduced roll separating force, energy consumption and roll wear.
   - New component based engine coolant formulation, Servokool TM Plus, meeting new specification of Tata Motors developed and approval obtained.
   - Developed Wheel Flange Lubricant based on Lithium thickener for track lubrication in metro rails.
   - Developed Stable Multi Layer Graphene (MLG) dispersion in hydrocarbon medium, which shows significant enhancement in heat transfer property.

- Under refinery ETP Efficiency Enhancement program, development of bio-inoculant for efficient removal of oil & grease, phenol & sulphides and its successful application at refineries was carried out, leading to import substitution.
- Molecular biology assay base developed for investigating Microbiologically Induced Corrosion in field samples from pipelines locations for timely measures.
- A new pilot plant facility for shale oil extraction using super critical CO_2 and water has been commissioned as an initiative of developing oil shale as an alternative energy source.
- A Solar LED Lamp was designed and developed for multi utility (5-in-1) applications such as room lamp, portable lantern, bulb, torch and mobile charging. This Lamp is a cost-effective, green and environment friendly product.
- Sun Simulator, a device that provides controllable indoor test facility to measure solar module parameters has been installed at R&D centre.

3. Future Plans

- Development of low carbon refinery processes
- Processing of Heavy and high TAN crudes
- Low pressure desulphurization Process for heavy hydrocarbon stream.
- Development of environment friendly catalyst for refineries
- Setting up demonstration units for catalysts production
- Development of long life, energy efficient cost effective lubricants for railways, marine, automotive and industrial sectors
- Development of Nano additive based lubes / fuels
- Development of fuel saving and environment friendly additives for fuels.
- Formulating bio-degradable and FDA compatible lubricants
- Production of 2nd / 3rd Generation fuels
- Up-gradation of automotive research laboratory
- Development of bio-jet fuel using non-edible vegetable oil
- Technologies for reduction of GHG emissions
- Development of advanced test facilities for corrosion and failure analysis in refineries
- Development and optimization of process for gasification of pet coke/ coal / residue / biomass
- Catalysts & polymerization processes for producing petro-chemicals
- Optimization of process parameters for various grades of polymers
- REACH Compliant Internal Donors (IDs) for Ziegler-Natta Catalyst
- Development of novel composites and engineering polymers
- Development of carbonic anhydrase producing microbial candidates for enzyme mediated CO_2 capture.
- Fuel Cells testing and research
- Solar Energy applications and product development

4. Expenditure on R&D

a) Capital	:	₹ 81.40 crore
b) Revenue	:	₹ 167.66 crore
c) Total	:	₹ 249.06 crore

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 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 the technologies from M/s UOP, USA has been commissioned at Panipat under expansion of refinery from 6.0 to 12.0 MMTPA.

ii. Once through Hydrocracking Technology

Once Through Hydrocracking Units (OHCU) were commissioned at Panipat, Mathura and Haldia refineries with the technologies from M/s UOP, USA, M/s Chevron, USA and M/s Axens, France respectively for improvement of distillate yield and diesel quality w.r.t Sulphur and Cetane Number.

iii. Diesel Hydro-Desulphurisation Technology

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

iv. Diesel Hydrotreatment Technology

Diesel Hydrotreatment Units have been commissioned at Guwahati, Barauni & Digboi refineries with the technology from M/s UOP, USA and at Mathura and Panipat refineries with technology of M/s Axens, France to meet the Diesel quality requirement w.r.t Sulphur and Cetane Number. Technology from M/s Axens has been implemented at Gujarat Refinery under Resid Upgradation Project. Technology from M/s Shell Global Solutions, Netherlands has been selected for implementation at Paradip Refinery Project.

v. Fluidised Catalytic Cracking Technology

Fluidised 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. Technology from M/s ABB Lummus, USA is under implementation for revamp of FCCU at Mathura Refinery for reliability improvement and maximization of value added Propylene.

vi. Resid Fluidised Catalytic Cracking Technology

The Resid Fluidized 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 production of Paraffin Wax at

Digboi Refinery, Solvent dewaxing/deoiling technology from M/s UOP, USA has been implemented.

ix. Hydrofinishing Technology for treatment of Paraffin Wax/ Microcrystalline Wax

Process technology from M/s. IFP, France for hydro finishing of paraffin wax has been implemented at Digboi refinery. The same technology from M/s IFP, France 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 employed at Gujarat and Mathura Refineries.The same technology has also been selected for Barauni Refinery.

xi. Hydrogen Generation Technology

Hydrogen generation technology from M/s Linde, Germany was adopted in 1993 for Hydrogen production and supply to Hydrocraker unit at Gujarat Refinery and has been implemented at Barauni Refinery under MS Quality Improvement Project. Hydrogen generation technology obtained from M/s. Haldor Topsoe, Denmark is in operation at Gujarat, Mathura, Haldia, Panipat and Barauni refineries and has been implemented at Gujarat Refinery under Resid Upgradation Project. Technology from M/s UHDE, Germany has been selected for implementation at Paradip Refinery Project. Similar technology from M/s KTI, the Netherlands has been implemented for Hydrogen generation at Guwahati, Digboi, and Mathura refineries and has been commissioned at Haldia Refinery under Once through HydroCracker Project. Hydrogen generation technology from M/s Technip Benelux B.V, Netherlands has been implemented at Bongaigaon Refinery under Diesel Quality improvement project.

xii. Sulphur Recovery Technologies for reduction of SO_2 emissions

Refineries at Gujarat, Haldia, Mathura and Barauni are provided with Sulphur Recovery Technology from M/s. Stork Comprimo (now Jacob), Netherlands. The Sulphur recovery technology from M/s.Delta Hudson, Canada has been employed at Panipat refinery. Further, Sulphur recovery technologies from M/s B & V Pritchard, USA has been implemented under Panipat Refinery Expansion Project and has been implemented at Gujarat Refinery under Resid Upgradation Project and the same has also been selected for implementation at Paradip Refinery Project. Technology from M/s Technip, KTI, Spain has been implemented at Haldia Refinery under Once through Hydrocracker Project. Technology from M/s Jacobs, Netherlands is under implementation in additional Sulphur Recovery Unit at Mathura Refinery. Technology from M/s Lurgi, Germany has been selected for implementation under Distillate Yield improvement (Coker) project at Haldia 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 as part of Panipat Refinery Expansion Project. Coker Technology from M/s Foster Wheeler, USA has been implemented at Gujarat Refinery under Resid Upgradation Project and has also been selected for implementation at Paradip Refinery Project as well as at Haldia Refinery under Distillate Yield improvement project.

xv. VGO Hydrotreatment Technology

Technology from M/s UOP has been implemented at Gujarat Refinery under Resid Upgradation Project. Technology from M/s Axens, France has been selected 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 & Panipat refineries. Technology from M/s UOP, USA has been implemented at Gujarat Refinery under MS Quality Upgradation Project and has also been selected for implementation at Paradip Refinery Project.

xvii. Technology for Para –Xylene

For production of Para-Xylene at Panipat, technologies from M/s UOP, USA have been implemented and 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 have been implemented at Mathura, Panipat and Gujarat Refineries. Technology from M/s Axens, France has been implemented at Haldia, Guwahati, Digboi and Barauni refineries.

FCC Gasoline desulphurization technology (Prime-G) from M/s Axens, France has been employed at Haldia, Mathura, Panipat and Barauni Refineries.

xxi. Naphtha Cracker Technology

Naphtha Cracker Technology from M/s ABB Lummus, USA has been commissioned at Panipat Refinery. Technologies from M/s Basell, Italy, M/s Basell, Germany, M/s Nova Chemicals, Canada & Scientific Design, USA have been commissioned 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, USA has been selected for implementation at Paradip Refinery Project.

xxiii. Ethyl Benzene/Styrene Technology

For production 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, USA has been implemented at Gujarat Refinery. Technology from M/s Merichem, USA has been selected for Paradip Refinery Project.

xxvii. LPG Treatment Technology

Coker LPG Treatment technology from M/s UOP, USA has been selected for implementation at Haldia Refinery under the distillate yield improvement (Coker) project.

xxviii. Coker Gas Oil Hydrotreatment Technology

Coker Gas Oil Hydrotreatment Technology from M/s Axens, France has been selected for implementation at Haldia Refinery under the distillate yield improvement (Coker) project.

xxix. MTBE Technology

Technology from M/s CD Tech, USA has been commissioned for production of MTBE at Gujarat Refinery.

xxx. Butene-1 Technology

For production of Butene-1, Technology from M/s Axens, France has been implemented at Gujarat Refinery and has been selected for implementation at Panipat Refinery.

xxxi. Sulphur Pelletization Technology

For production of Sulphur in Pellet form, Technology from M/s Sandvik, Germany has been implemented at Gujarat Refinery and has been selected for implementation at Mathura and Panipat Refineries.

B. Indigenous Technology

i. INDMAX Technology

INDMAX technology developed in-house by R&D Centre of IndianOil for converting heavy distillate and residue into LPG/light distillate products has been implemented successfully at Guwahati Refinery and has been selected for implementation at Bongaigaon 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 R&D Centre of IndianOil with indigenous catalyst has been successfully implemented at Gujarat Refinery.

iii. Diesel Hydrotreatment Technology

Diesel Hydrotreatment technology developed by R&D Centre of IndianOil and licensed jointly with EIL has been implemented at Bongaigaon Refinery for meeting Diesel quality requirements.

iv. Isomerisation Technology

Isomerisation Technology developed by R&D Centre of IndianOil and licensed jointly with EIL has been implemented at Bongaigaon Refinery for meeting MS quality requirements.

v. INDAdept^{G} Technology

INDAdept^{G} unit based on technology developed by R&D Centre of IndianOil is being implemented at Guwahati Refinery for desulphurisation of cracked gasoline feed stock.

MODERNISATION OF INSTRUMENTATION & CONTROL

DISTRIBUTED DIGITAL CONTROL SYSTEM (DDCS)

DDCS is already in place in all Process Units and Captive Power Plants of all Refineries. All the new units will be equipped with DDCS from the inception. Further, to keep pace with technology change, modernization etc. and to take care of obsolescence, upgradation of existing DDCS is also taken up in refineries based on necessity. Various process units are equipped with state-of-the-art Instruments and smart transmitters for real-time monitoring precise control of plant, which ensures stable operation and optimum process parameters.

ADVANCED PROCESS CONTROL (APC)

IndianOil has always given full emphasis on modernization of its refineries and implementation of Advanced Process Control Systems (APC) for better operational efficiency, margin improvement and for remaining competitive. Model based Multi-variable Predictive Advanced Process Control Systems (APC) have been implemented in the various units of the Refineries.

The Performance Index (KPI) based Methodology of APC Benefit assessment based on controller-wise, variable-wise on-stream factors and average values of controlled variables have been developed for all existing APC controllers across IOCL and are being used for monitoring realistic APC benefit on regular basis.

During this year, the penetration of APC increased from 47.2% to 57.5% in IOC refineries.

OFFSITE MODERNIZATION

As a part of modernisation of Oil Movement & Storage facilities the following have already been implemented at various refineries:

- Automation of Tank Wagon loading.
- Automation of Tank Truck Loading.
- Blending Automation for MS and HSD stream with a view to reduce Quality Giveaway as well as elimination of off-spec products.
- Auto Tank gauging consisting of Servo / Radar gauges with interface software for inventory monitoring from control rooms.

AUTOMATION OF LABORATORIES

Automation of Laboratories has been completed at all refineries.

Networking & Real Time Data Base Management System (RTDBMS)

- Networking of units and offsite facilities has been completed at all refineries.
- RTDBMS has been implemented at all refineries and are in operation.
- DRYA (Data Reconciliation and Yield Accounting Package), implemented in all refineries for working out accurate Daily Production Balance using real time process data.
- PS (Production Scheduling) implemented at Gujarat and Panipat Refineries.

SC/ST/OBC REPORT - I

Annual Statement showing the representation of SCs, STs and OBCs as on 1st January 2013 and number of appointments made during the preceding calendar year

Name of the Public Enterprises: Indian Oil Corporation Ltd.

Groups	Representation of SCs/STs/OBCs (As on 1.1.2013)				Number of appointments made during the calendar year 2012									
					By Direct Recruitment				By Promotion			By Deputation/Absorption		
	Total No. 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
Executives A	3948	588	246	776	650	105	44	195	224	42	20	0	0	0
Non-executives B	6485	1073	598	158	No recruitment is made in this Group.				1626	271	116	0	0	0
C	11958	2476	899	1609	361	68	16	117	1430	265	112	1	0	0
D (Excluding Sweeper)	824	158	67	304	496	87	38	224	0	0	0	0	0	0
D (Sweeper)	2	0	0	0	0	0	0	0	0	0	0	0	0	0
Total (Executives in Grade 'A' plus Non-executives)	**23217**	**4295**	**1810**	**2847**	**1507**	**260**	**98**	**536**	**3280**	**578**	**248**	**1**	**0**	**0**

SC/ST/OBC REPORT - II

Annual Statement showing the representation of SCs, STs and OBCs in various group A services as on 1st January 2013 and number of appointments made in the service in various grades in the preceding calendar year

Name of the Public Enterprises: Indian Oil Corporation Ltd.

Pay Scale (In Rupees)	Representation of SCs/STs/OBCs (As on 1.1.2013)				Number of appointments made during the calendar year 2012									
					By Direct Recruitment				By Promotion			By Deputation/Absorption		
	Total No. 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
24900-50500 *	3948	588	246	776	650	105	44	195	224	42	20	0	0	0
27600-50500	3461	590	281	596	No recruitment is made in this Group.				1107	198	90	0	0	0
32900-58000	2715	473	178	246	No recruitment is made in this Group.				398	68	24	1	0	0
36600-62000	1736	342	147	142	No recruitment is made in this Group.				401	74	24	4	0	0
43200-66000	1311	283	119	13	No recruitment is made in this Group.				291	59	20	0	0	0
51300-73000	1254	177	67	5	No recruitment is made in this Group.				224	25	12	0	0	0
51300-73000	507	46	7	2	No recruitment is made in this Group.				150	12	3	0	0	0
51300-73000	178	8	2	0	No recruitment is made in this Group.				83	2	2	1	0	0
62000-80000	74	2	0	1	No recruitment is made in this Group.				28	0	0	0	0	0
G.Total	**15184**	**2509**	**1047**	**1781**	**650**	**105**	**44**	**195**	**2906**	**480**	**195**	**6**	**0**	**0**

* Pay Scale ₹ 24900-50500 represents Executives in Grade 'A'.

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

IndianOil believes that nurturing and nourishing symbiotic relationships between its business and society is a key determinant in achieving inclusive growth. The Mission statement of IndianOil "…to help enrich the quality of life of the community and preserve ecological balance and heritage through a strong environment conscience..." succinctly portrays the commitment of the Corporation to its Corporate Social Responsibility (CSR). CSR and working with the communities has been the cornerstone of success for IndianOil right from inception. The three thrust areas of the Corporation's CSR initiatives are 'Clean Drinking Water', 'Health & Medical Care' and 'Expansion of Education'. CSR projects are mostly undertaken in the vicinity of IndianOil's installations or establishments for improving the quality of life of the community, which include marginalised groups viz., SCs, STs, OBCs, etc. IndianOil's annual CSR budget has gradually increased from 0.5% of previous year's net profit in 1991 to 2% of previous year's retained profit effective 2009.

A Committee of the IndianOil Board specially constituted for CSR, guides the Corporation in undertaking CSR activities in a focused and structured manner and reviews the CSR policy from time to time. The Committee also advises the Corporation on new flagship CSR projects to be undertaken on a pan-India basis in consonance with its Vision and CSR policy.

In the year 2010-11, a dedicated cell was created at the Corporate Office to specifically plan, monitor and co-ordinate the CSR activities. Further, additional dedicated manpower in middle management and senior management cadre was deployed at Divisional, Regional and unit levels.

During the year, the CSR expenditure of the Corporation was ₹ 78.97 crore.

Brief details of the flagship CSR programmes of IndianOil are given below:-

1. **INDIANOIL SACHAL SWASTHYA SEVA (MOBILE MEDICAL UNITS)**

   In January 2012, IndianOil launched a primary mobile health care scheme titled 'IndianOil Sachal Swasthya Seva' for operating Mobile Medical Units (MMUs), linked to rural petrol pumps (called Kisan Seva Kendras or KSK) of IndianOil. In the pilot project, 52 MMUs have been launched in Andhra Pradesh and Uttar Pradesh covering 681 villages in 13 districts. Each MMU, with a 4-member team comprising a registered qualified Doctor, a pharmacist, a driver and a community mobilizer visits villages on a weekly basis. Patients are provided medical services and medicines free of cost. The MMUs are also used for conducting health awareness camps on Family Planning, Health & Hygiene, HIV/AIDS, etc. The Doctors also refer patients to nearby hospitals, as and when required. During the year, 12 MMUs were launched in Uttar Pradesh and 21 MMUs in Andhra Pradesh. Till March 2013, about 11 lakh patients have been treated by 52 MMUs in AP & UP. The Institute for Public Enterprises, Hyderabad has awarded IndianOil with Subir Raha Centre for Corporate Governance award during Dec. 2012 for health related CSR initiatives.

MMU of Sachal Swasthya Seva

2. **ASSAM OIL DIVISION HOSPITAL, DIGBOI**

   IndianOil's 200-bed Assam Oil Division Hospital at Digboi, which was established in 1906, caters to a population of about two lakhs with catchment area extending to Arunachal Pradesh and nearby areas of the North East. This multi specialty tertiary care hospital has a 24-hours emergency centre, well equipped operation theatres, a burn unit, diagnostic services, telemedicine centre, substance abuse and treatment centre, blood bank, medical stores, morgue, etc. This hospital is recognized by the Medical Council of India for compulsory rotating internship and resident housemanship by National Board of Examinations for Diploma of National Board in Medicine and by Govt. of Assam for Radiographer and Laboratory Technician training. It offers specialized care and treatment at very nominal rates. This hospital also organizes free health camps of general and specialized nature as a part of community outreach services. Annually, this hospital checks about 1 lakh patients in OPD, 4000 patients for indoor admissions and conducts operative procedures on 2000 patients.

3. **SWARNA JAYANTI SAMUDAIK HOSPITAL, MATHURA**

   IndianOil's 50-bed Swarna Jayanti Samudaik Hospital (Village: Raunchi Bangar, Mathura, Uttar Pradesh) was established in 1999 to provide medical assistance to residents of nearby areas. This hospital also operates two mobile dispensaries to provide primary medical care in the nearby villages of Mathura Refinery. The hospital provides free treatment to the destitute and offers subsidized treatment to others. It has facilities viz. OPD, in-patient department for general medicine and surgery, emergency services, physiotherapy, trauma centre, ICU, burns center, diagnostic services, blood bank, etc. Out of 50-beds, 10 beds are designated for providing free treatment to the destitute. Annually, about 55,000 patients are treated in OPD and 3500 are treated as in-patients.

4. **ASSAM OIL SCHOOL OF NURSING, DIGBOI**

   Assam Oil School of Nursing, Digboi was established in 1986. It offers professional nursing/midwifery courses to unemployed girls of the North East. The school offers 4 year Diploma in General Nursing and Midwifery. 20 girls are selected on merit every year through a written test. The students are paid monthly stipend and uniform and free accommodations are also provided. IndianOil also provides facilities viz. free medical treatment, routine and special care, immunization, health record maintenance, separate sick room and sick leave to the students. Till March 2013, 316 students have successfully completed the course and the placement record is 100%. IndianOil won the 2nd prize under the category PRSI National Award (CSR) instituted by Public Relations Society of India (PRSI) in September, 2012 for this project.

5. **INDIANOIL (AOD) INDUSTRIAL TRAINING CENTRE, DIGBOI**

   Industrial Training Centre at IndianOil (AOD)-Digboi, under the aegis of National Council for Vocational Training (NCVT), offers 68 seats in various Industrial Trade disciplines. It offers a 3-year fresher trade course and specialization in fitter, electrician, turner, mechanic jobs. After completion of training, students become eligible to appear in All India Trade Test conducted by NCVT. On successful completion, students are awarded National Trade Certificate in the respective trades by NCVT. IndianOil also assists students for placement in many Public & Private sector organizations. Since inception, 1126 students have successfully

IndianOil supporting students as a CSR initiative

completed various courses at this centre and have been absorbed in various Public & Private sector organizations.

6. INDIANOIL EDUCATION SCHOLARSHIP SCHEME

IndianOil Education Scholarship Scheme, started in the year 1985 with 50 scholarships, has expanded to 2600 scholarships, which are awarded on merit-cum-means basis to support talent among the deserving students belonging to families with less than ₹ 1 lakh gross annual family income. 50% scholarships are reserved for SC/ST/OBC students, 25% for girl students and 10% for Persons with Disabilities (PWD) in each category/ sub-category. While 600 scholarships are awarded for pursing professional courses like Engineering, MBBS and MBA, 2000 scholarships are awarded to students pursuing 10+/ITI courses.

7. INDIANOIL SPORTS SCHOLARSHIP SCHEME

IndianOil introduced a Sports Scholarship Scheme in the year 2006-07 for promising young sports persons representing State in team games and National ranking in others. At present,150 scholarships are awarded in 19 games/sports fields for junior players. In addition, cost of kit items, assistance towards travel, lodging etc. is also provided.

8. MOC WITH TATA INSTITUTE OF SOCIAL SCIENCE, MUMBAI

A Memorandum of Cooperation (MoC) was signed between IndianOil and Tata Institute of Social Science (TISS) to conduct Baseline Survey in about 280 villages in the vicinity of 40 units/locations of IndianOil across 21 states for Impact Assessment of various CSR projects and other CSR activities. The MoC will be valid for 24 months.

9. LPG SCHEME

In accordance with the Govt. guidelines, 20% of 2% of Net Profit of previous year (i.e. ₹ 15.82 crore) was allocated towards release of one-time grant to Below Poverty Line (BPL) families in the rural areas for release of new LPG connection under Rajiv Gandhi Gramin LPG Vitarak Yojana.

10. INDIANOIL FOUNDATION

IndianOil Foundation, a non-profit Trust, was formed in the year 2000 with an initial corpus of ₹ 25 crore and a recurring annual contribution of ₹ 10 crore to protect, preserve and promote national heritage monuments in collaboration with the Archaeological Survey of India (ASI) and National Culture Fund (NCF) of the Government of India.

At present, work on development of tourist friendly facilities at the famous Sun temple in Konark (Odisha) and Khajuraho (MP) are in progress. The development for other monuments are in various stages of planning.

11. NATIONAL CAUSES / NATURAL CALAMITIES

IndianOil responds proactively to provide aid and relief to the victims of natural calamities like floods, earthquake, cyclones etc. IndianOil also contributes for national causes in the benefit of the nation like setting up of educational institutions of national importance.

AWARDS AND RECOGNITIONS

- IndianOil received the Gold Trophy of “SCOPE Meritorious Award for Corporate Governance” for the year 2012.
- IndianOil was awarded the prestigious “ICSI National Award – 2012” for excellence in Corporate Governance instituted by Institute of Company Secretaries of India.

ICSI National Award for Excellence in Corporate Governance

- International Financing Review Asia (IFR Asia), one of the most coveted capital markets agencies in Asia, awarded the ‘Indian Capital Market Deal of the Year 2012’ to IndianOil’s Singapore Dollars (SGD) denominated long term bonds and included the deal in its Roll of Honour for 2012.
- Dun & Bradstreet, the world’s leading source of global business information has awarded IndianOil with the Corporate Award 2012 in the Oil - Refining and Marketing sector.
- IndianOil became the highest ranked Indian company (88th) in the prestigious *Fortune* Global 500 listing. The Company also topped the Financial Express 500, Economic Times 500 and Fortune India 500 listings.

WIPS Best Enterprise Award

- IndianOil has also featured in the top 100 of the Platts Global ratings (Rank 82), Business India Super 100 companies (Rank 8), BW Real 500 (2nd biggest company) and Forbes Global 2000 (Rank 4 among Indian companies)
- IndianOil swept the PetroFed awards by emerging winner in four categories- Leading Oil & Gas Corporate of the Year, Oil & Gas - Marketing Company of the Year, Project Management- Company of the Year and Women Executive of the Year in Oil & Gas sector.
- IndianOil’s household brands *SERVO* and Indane have been voted Consumer Superbrands for the year 2012. *SERVO* also retained its Master Brand status by winning it at the World Brand Congress.
- IndianOil bagged the second prize in the Best Enterprise (Maharatna/ Navratna) category by Women in Public Sector. IndianOil also won Best Women Employee awards in Officer and Non-Officer category.

SCOPE Meritorious Award for Corporate Governance

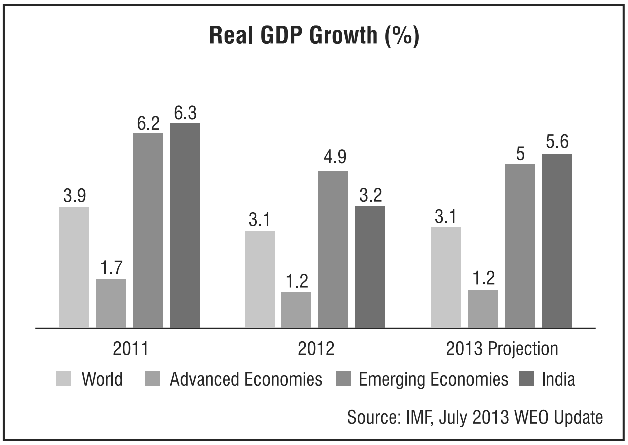

VIVADA

MANAGEMENT DISCUSSION & ANALYSIS

ECONOMIC OVERVIEW & OUTLOOK

Global

During the year, the overall global activity was subdued. Global economic growth decelerated to 3.1% in 2012 from 3.9% recorded in 2011.



The situation in advanced economies was mixed, while US and Japan experienced acceleration in growth of output, albeit meagre, the EU witnessed a decline in output by an estimated 0.6%. Unemployment rate in EU continued to be high and rose to 10.5% while in the US, there was a rebound in job creation with unemployment rate falling to 8.1% from 9% in 2011. Risks of a financial shock from the EU Sovereign Debt Crisis and a fiscal shock from the US 'fiscal cliff' were imminent during the year. Fortunately, these risks were contained with the last minute resolution in the US and the large-scale rescue efforts by EU Authorities and IMF. As regards, emerging economies, broad-based deceleration was experienced for a second year in a row.

Looking ahead, consolidation is expected in the advanced economies and in the emerging economies the trend of deceleration is projected to be arrested. As per IMF, World output growth is forecasted to remain unchanged at 3.1% in 2013 and accelerate to 3.8% in 2014. During the first quarter of 2013, while growth in US & Japan accelerated, in EU output continued to contract. Moreover, many major Emerging Economies have underperformed on account of domestic issues and weak external demand. Matters such as the US fiscal issues, the EU periphery still being stuck in the crisis coupled with the weakening of growth in Core economies and the timing and pace of the anticipated unwinding of Quantitative Easing in the US need to be tackled pragmatically.

India

During the year, in the backdrop of a fragile external environment, structural weaknesses of the Indian economy accentuated, and resulted in dropping of the GDP growth rate to a decade low of 5%. Key macroeconomic indicators, like inflation and fiscal deficit remained elevated and current account deficit traversed beyond the comfort zone, considerably raising concerns about the country's macro-economic stability.

During the year, while the performance of the slump-hit investment and industry continued to be worrisome, the ambit of the slowdown enlarged, as it took in its grip consumption, services and exports sectors. Investment growth rate further slid to 1.7% from 4.4% in the previous year. Infrastructural bottlenecks suppressed investment, inadequate fuel supply linkages, especially for coal in case of power plants, delays in clearances (defence, environment, land), slow growth of government capital expenditure and high interest rates, all curtailed investment growth. By the end of the year, it is estimated, the country had 444 projects worth ₹ 3.98 trillion stalled. In such a scenario, FDI flows also took a hit by declining by 38% during the year. Power deficit has continued to be high at discomforting level of 8-9%. All these factors weighed down the performance of the industrial sector, with mining and manufacturing being the worst affected. In mining, output declined by 0.6% and manufacturing witnessed a tardy growth of 1.0%. In addition to this, services and private consumption expenditure which had been the bellwethers of the economy, also plummeted as consumer confidence dipped, inflation and interest rates remained elevated, and gave a major blow to the Indian growth story. The dip in Agricultural growth rate to 1.9% on account of inadequate monsoons acted as a further drag on the waning economic momentum.

On the external account, despite a weak Rupee, exports witnessed a decline of around 2% on account of the weak global demand. Imports, on the other hand, did not witness a similar decline. High oil, coal and gold imports were responsible for keeping the import bill perched high at around US$492 billion, rising by a notch 0.44% from the previous year and a resultant high trade deficit of the tune of 10% of GDP. The meagre performance on the invisible account, mainly due to the slump in global demand and high interest payments outgo (emanating from rising foreign borrowings driven by lower interest rates abroad), limited its cushioning effect and led to the Current Account Deficit (CAD) touching distressing level of 4.8% of GDP. Moreover, with CAD being largely financed by FII flows, and External Commercial Borrowings (ECBs) concerns about the vulnerability of India's external position have aggravated.

Inflation did show signs of moderation though it continued to be elevated. During the year, WPI inflation stood at 6% as compared to 8% in the previous year. Consumer Price Inflation continued to reign high led by food inflation. A positive development was the reining in of the non-food manufactured inflation. While this did give the monetary policy some headroom to go in for monetary easing during the year for invigorating growth, it has been limited and constrained by the still high overall inflation.

Fiscal deficit during the year provisionally estimated at 4.9% of GDP was lower than the Budget Estimate of 5.1% of GDP. But, admittedly it could have been worse but for steps taken by the Government to rein the deficit. A discomforting aspect of the fiscal situation was that the Revenue Deficit at 3.6% of GDP, exceeded the target of 3.4%, mainly on account of subsidy bill escalating to 2.5% of GDP way above the target of 2%.

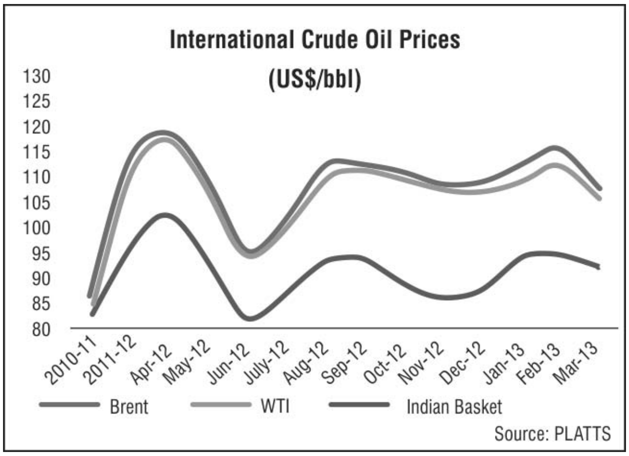
With the concerns becoming overbearing, remedial steps were taken by the Government. Setting up of the Cabinet Committee on Infrastructure (CCI) to monitor investment proposals and projects is one such development and in the recent months we have seen fast track action by CCI. On fiscal reforms, Government has been expressive by announcing a new path of fiscal consolidation. A slew of reform measures were initiated in the areas of foreign investment, fuel pricing etc. The progressive plan being made towards shifting from the inefficient system of indirect subsidies to direct cash through the UID is a welcome change. The weakening of global commodity prices being witnessed, along with good monsoon should positively impact the prospects of the economy. In this backdrop, acceleration in GDP growth in 2013-14 is being projected by various agencies. Proactive policy action, to tackle the sharp depreciation in Rupee being witnessed lately, and action in areas of infrastructure projects, energy pricing, controlling imports and fiscal consolidation remain critical to the prospects of the economy.

INDUSTRY STRUCTURE & DEVELOPMENTS

Oil Market-International

Prices

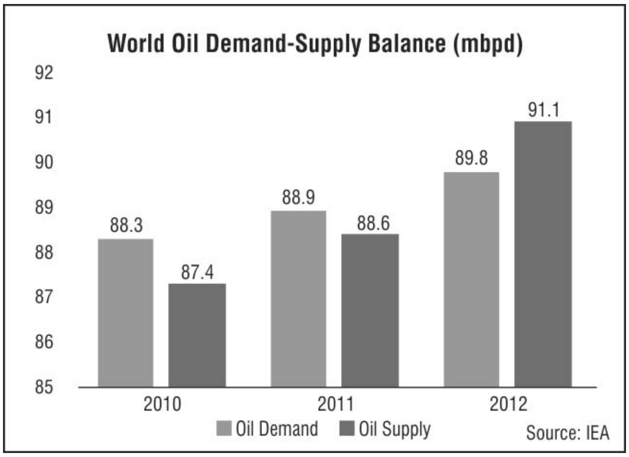
The year brought in some relief from the trend of rising crude oil prices. At the beginning of the year, Brent was above US$ 120/bbl, and at the end of the year it was below US$ 110/bbl level. Overall, the average price of crude oil fell from US$ 114.6 /bbl in 2011-12 to US$ 110.1 /bbl in 2012-13. Initially, the sluggish



global growth pushed the prices down to below US$ 90/bbl in June 2012. However in July 2012 onwards, geo-political risks started putting pressure on the prices. Further, the markets were flush with money as Central banks (FED, ECB) went in for further monetary easing. Crude Oil prices rose above US $ 115/bbl in February 2013. Since March 2013, weak global macroeconomic conditions have again started coming to bear and prices are projected to fall in 2013. Geo-political risks emanating from of political unrest in Syria, Egypt and potential supply outages in Venezuela, Nigeria and Iran could act against this projection.

Supply-Demand Balance

On the supply side, overall oil supply increased to 91.1 mbpd. Non-OPEC supply increased by 0.6 mbpd to 53.4 mbpd, on account of large-scale investments



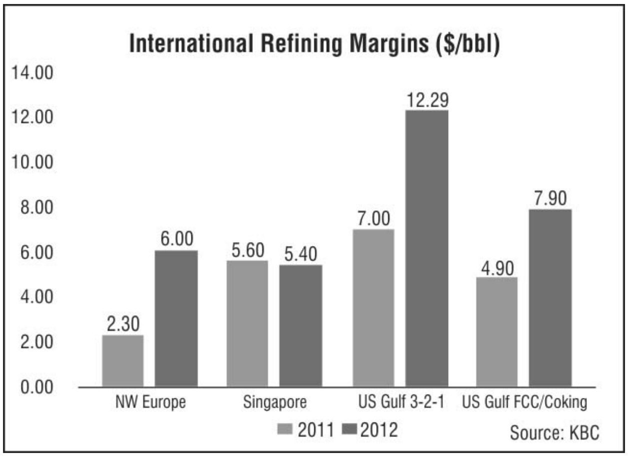
and entrenching of shale technologies to oil production in USA. Oil production in OPEC countries rose by 1.8 mbpd in 2012 to 37.6 mbpd led by increase in production by Libya, Iraq and Saudi Arabia.

World oil demand increased modestly by 1% to 89.8 mbpd in 2012, as compared to 88.9 mbpd in 2011. Oil consumption among OECD countries fell by 0.5mbpd to 45.98 mbpd. Non-OECD demand grew by 1.4 mbpd to 43.8 mbpd and accounted for almost half of global crude oil consumption and, all of the increase in global demand.

Oil production from countries outside the OPEC currently represents about 60 percent of world oil production. Key centers of non-OPEC production include North America, regions of the former Soviet Union, and the North Sea. Unconventional oil production in North America (Tight oil in the US & Oil Sands in Canada) is being viewed as a game changer that is set to shift the centre of gravity of the oil market from OPEC to North America. The IEA, projects the United States to become the world's largest oil producer overtaking Saudi Arabia by mid-2020s. Outside North America, Brazil and Kazakhstan are expected to bring in biggest increases in the Non-OPEC supply. On the demand front, Asia accounts for around half of the Non-OECD oil demand and is projected to experience the fastest regional demand growth over the long term. As demand in the OECD countries plateaus, in less than a decade Non-OECD demand is set to exceed the OECD demand. In the backdrop of these fundamental changes, the flow of world oil trade is set to shift from West to East.

Refining

During the year, global crude distillation capacity increased marginally by 0.26 mbpd to 92 mbpd following a 0.17 mbpd addition in 2011. Refinery closures in Western Europe and North America amounting to 1.6 mbpd largely



offset the 1.8 mbpd capacity additions of Asia. Looking ahead, major capacity additions are lined up in Middle East, Russia, India & China and in 2013 are likely to more than offset the decline due to closures, with a net capacity addition of 1.3 mbpd expected in 2013.

During 2012, refining margins improved in the European & US refining sectors, while the refinery margins on processing Dubai crude at Singapore fell marginally. In Europe & US, unplanned supply outages and closure of big refineries kept the market tight and margins up. Weaker crude prices also supported the refiners in the Altantic Basin. Looking ahead pressure on margins is expected as net capacity additions are likely to outpace demand growth.

Global refinery utilization rates have been coming down over the last decade with around 80% in 2012 as compared to 81% in 2011 and 86% in 2005. Weakening of the product demand growth post 2008 recession, rise in the global crude distillation capacity since 2009 and rising share of non refinery fuels from NGL, GTLS and biofuels are pulling down refinery utilization rates.

Long term challenges of the global refining industry centre around the need to adjust to the structural shift in the demand centre, to the changes in the mix of product demand and to the changing quality of crude feedstock. Investment in to hydrotreating, upgradation of capacity to produce greater proportion of cleaner fuels, to attune to heaveir crudes, and even polymerization and alkylation of capacity are called for over the long term.

Oil Market-Domestic-India

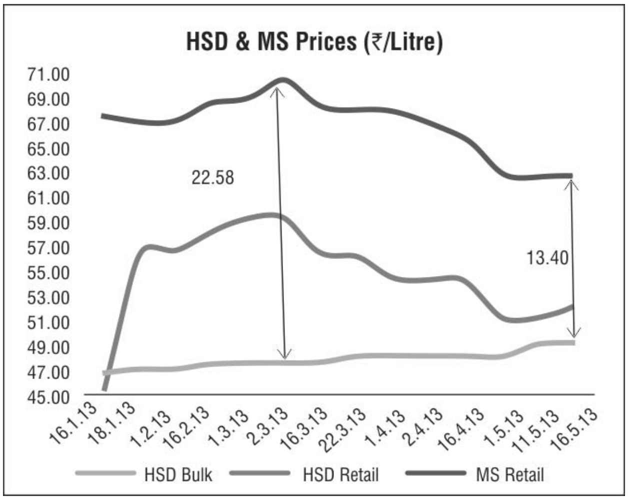
Domestic Demand

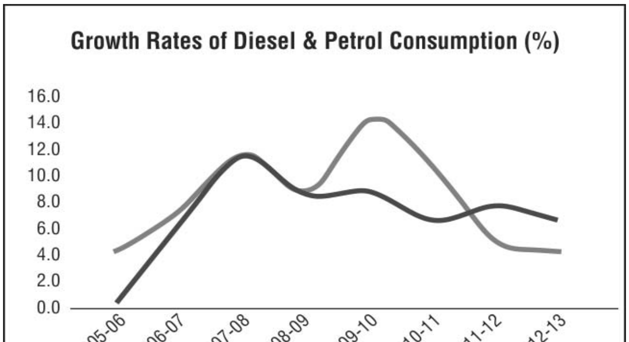
During the year, Petroleum products consumption (inclusive of imports) in India increased to 155.4 MMT, recording a robust growth of 4.9% on top of a 5% growth recorded in the previous year. While deceleration was witnessed in almost all product segments; HSD and MS (which account for more than 54% of the petroleum products) consumption experienced only mild deceleration and kept the overall growth rate strong.

During the year, major pricing policy reforms were rolled out. Dual pricing policy for bulk and retail diesel and capping of subsidised LPG cylinders were introduced in view of the growing imperative of fiscal consolidation, the need for reducing subsidy burden on petroleum products and relief to oil marketing companies. These reform measures are set to bring about decisive changes in the market.

Products with Mild Deceleration

- **High Speed Diesel:** During the year, HSD consumption rose to over 69 MMT from 65 MMT in the previous year. Growth continued to be strong at 6.8%. HSD growth continued to be high and exceed MS growth. This trend was propelled by the conspicuous price gap between HSD and MS prices and the constrained power supply situation in the country. However, slowing economic momentum on one hand and price reforms by way of small doses of increases in HSD prices slowed the growth of HSD as compared to 7.8% growth recorded in 2011-12. Since July 2012, monthly growth rates have been decelerating and in February 2013 it turned negative. Price hikes since September 2012, deregulation of Bulk Diesel and in-principle approval to OMCs to increase the Retail Diesel prices by ₹ 0.40 to ₹ 0.50 per litre on monthly basis in January 2013, coupled with the consequent price hikes have narrowed the HSD & MS price gap. Historically growth in sale of diesel vehicles has been influenced by artificially low price of diesel. As the fuel prices get closer to international markets, demand for petrol and diesel will also become realistic and market driven. In addition to pricing, declining port traffic and sales of commercial vehicles also restrained HSD demand.





- **Motor Spirit:** During the year, MS consumption grew to 15.7 MMT. from 15 MMT in 2011-12. Growth in MS consumption decelerated to 5% from 5.6% in the previous year mainly on account of existence of the still wide gap between HSD & MS prices and the downturn in the domestic economic activity, which inter-alia hit the sales of passenger vehicles, which fell by 6.7% in 2012-13.

Products with High Deceleration

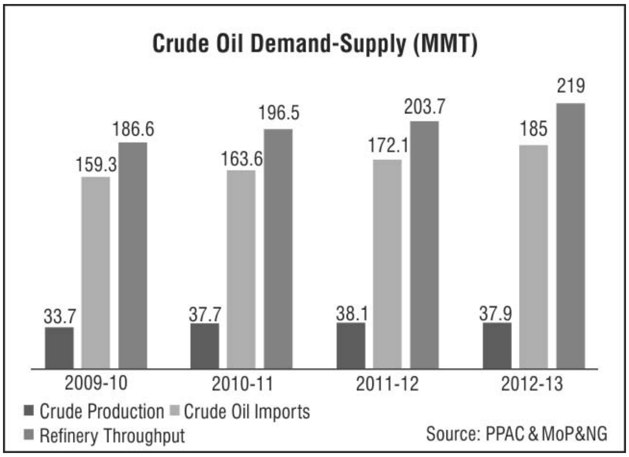
- **Liquefied Petroleum Gas:** After recording high growth rates for 3 years ending 2011-12, during the year, LPG sales recorded a tepid 1.6% growth. LPG sales marginally rose to at 15.6 MMT from 15.3 MMT in 2011-12. LPG growth has been marked by declining and even negative monthly growth rates since the policy for capping domestic cylinders took effect in September 2012. With the easing of capped cylinder number from 6 to 9 per annum in January 2013, based on the previous year consumption data, it is estimated that only about 10 percent of cylinders will be sold at a market prices.
- **Aviation Transportation Fuel:** ATF lost momentum, as its sales declined by 4.8% to 5.3 MMT from 5.5 MMT in 2011-12. As compared to this ATF sales recorded a growth of 9% in the previous year. A drastic fall in air passenger traffic by 3.7% on account of air fare hikes, global slowdown and curtailment in the flight operations of one of the big operators led to the plummeting of ATF Sales.
- **Bitumen:** Consumption of bitumen remained stagnant at the level of 4.7 MMT with a tepid 0.7% year-on-year growth from 4.6 MMT in 2011-12. Slowdown in the momentum of the road construction sector in the country on account of clearance hurdles was the key cause in the slump in Bitumen demand.

Products with Acceleration

- **Naphtha:** Naphtha sales grew to 12.3 MMT from 11.2 MMT in the previous year. Growth rate accelerated to 9.5% from 5.1% in the previous year mainly on account of robust demand from the petrochemicals sector.
- **Petcoke:** Sales rose to 9.1 MMT from 6.1 MMT in 2011-12, witnessing a remarkable growth of 48.5%. This was mainly on account of increase in domestic supply capacity of petcoke in the year that fed to meet the growing demand from cement and aluminium manufacturers.

Supply Side

The Domestic crude oil production scene continued to be restrained. Crude oil production at 37.9 MMT fell by 0.6% during 2012-13, following a minuscule 1% growth in 2011-12. Technical issues and underperformance of new development wells, among others weighed on the production.



In the backdrop of stagnant domestic production, growth of crude oil imports to the country continued to accelerate to cater to the growing domestic demand

and exports. India imported around 184.4 MMT of crude oil representing a rise of 7% on top of a 5% rise in the previous year. In value terms, crude imports amounted to USD 144 bn.

During the year, Indian Refineries processed 219 MMT of crude with over 100% capacity utilization. Throughput growth was impressive at 7%, accelerating from 4% growth recorded in the preceding year propelled by healthy domestic and export demand. During the year, product exports rose by 4% on year-on-year basis to 63 MMT. In line with the Government's road map to increase the number of cities with BS-IV norm fuels to 50 by 2015, Indian Refineries have been going in for quality upgradation projects. During the year, 10 more cities shifted to BS-IV fuels bringing the total to 30.

Refining construction in India continued to be upbeat during the year. Refining capacity increased to 215 MMTPA from 213 MMTPA at the beginning to the year. India has surplus refining capacity and is self-sufficient with regard to all major products except for LPG. Capacity additions are lined up over the next decade and by the end of the XIII Plan (2022), refining capacity is estimated to increase to 365 MMT. Capacity additions are being driven by growth of domestic demand and Asian demand-supply deficit. In fact, after China, India is set to witness the largest capacity additions. With refining capacity additions outpacing demand growth, at least till the XIII Plan period, India will continue to be a major exporter, and contribute to filling the supply gap created by increasing demand in Asia.

Financials

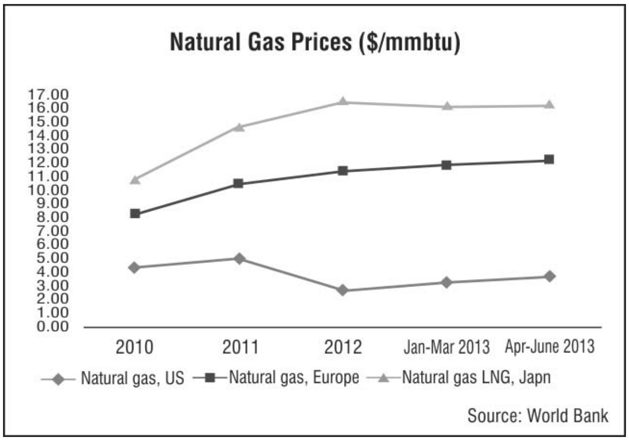
During the year, gross under-recoveries of the PSU oil marketing companies (OMCs) were to the tune of ₹ 1,61,029 crore of which 55% was on account of diesel. On the cost side, while Indian Crude Basket (ICB) price fell during the year on an average by 3.5%, the weakening of the Rupee by 6.7% meant that the decline in crude costs was eroded. On the revenue front, a number of steps in the form of policy action on capping Domestic LPG and hike in diesel prices made their contribution in restraining the under-recovery build-up. After accounting for compensation granted under the burden sharing mechanism of the Government, net under-recoveries stood at ₹ 1029 crore for the OMCs during the year.

Besides this, a number of factors weighed down the financials of the PSU OMCs. Foremost being the delay in compensation by the Government of the under-recoveries incurred, which forces OMCs to resort to borrowings for maintaining their cash flow. Growing borrowing levels along with the high interest rates in the country escalated the debt servicing burden of the OMCs and made a major dent on the financial health of OMCs.

Natural Gas Sector

International

In the US, the shale gas revolution continued to keep the supplies buoyant. After recording 7.9% growth in 2011, total marketed production of natural gas in the US grew by an estimated 5.7% in 2012. Natural gas prices in the US (Henry Hub) fell to an average of US$2.75/mmbtu in 2012 from US$5.08/mmbtu in 2011. On the other hand, the trend of rising natural gas prices elsewhere continued, with prices in Europe & JCC-LNG increasing to US$ 11.47/mmbtu and US$ 16.55/mmbtu in 2012 from US$10.52/mmbtu & US$14.66/mmbtu, respectively in 2012.



In addition to unconventional gas boon, large gas discoveries in East Africa (Mozambique, Tanzania and others) have come in as another boon for the market. The fillip in the global natural gas supplies have ushered in a boom in the LNG sector. Currently LNG accounts for about one-third of the global natural gas trade and by 2035, it is projected to account for more than 40% of the projected growth in inter-regional gas traded. Between 2012 and the end of 2015 more than 50 MMTPA (Million Metric Tonnes per Annum) of LNG export capacity is set to be added to the current global capacity of over 280MMTPA. Asia Pacific is today the largest market for LNG and Asian majors like Japan, China & India are set to drive global LNG demand. However, prices faced by Asian buyers are significantly higher than that of European Gas and of Henry Hub spot prices. JCC-LNG (oil-indexed) prices applicable to Asian buyers' long term contracts rose from US$14.66/mmbtu in 2011 to US$16.55/mmbtu in 2012. Asian buyers have increasingly been calling for move towards hub based pricing.

Domestic

At home, the downward trend in production of domestic gas led by the falling production in the KG Basin depressed the market. During the year, natural gas production declined to 112 mmscmd from 131.5 mmscmd in 2011-12. Further, the rate of decline accelerated to 14.5% from 8.9% in the previous year. Apart from resolution of technical issues, which have been limiting gas production, providing the right price incentives to the producers is stated to be one of the critical issues for scaling up of gas production in the country.

LNG imports rose to 10.9 MMT from 10.1 MMT in the previous year. Despite LNG imports, market remained supply constrained and consumption fell to 132 mmscmd from 154 mmscmd in the previous year. Looking ahead, capacity addition in existing and coming up of new LNG import terminals, increased utilisation of existing capacity and new short term contracts are expected to spur significant growth in LNG imports. IEA forecasts, India's LNG imports to increase by 72% by 2017 over their 2011 levels. However, affordability of LNG imports by Indian Industries has emerged as a major area of concern in the context of the rising LNG prices in Asia.

Key Policy Issues in Oil & Gas Sector

Development and performance of the Indian oil & gas sector depends critically on reform and policy action by the Government in some of the areas discussed below.

- **Direct Benefit Transfer Scheme:** The Government's Direct Benefit Transfer Scheme (DBTS) is seen as a game-changer that presents a way out of the limitations and inefficiencies of present subsidy regime. According to IMF, the potential total savings at national level from direct cash transfer based on Unique Identification Number (Aadhaar) is estimated to be the tune of 0.5 percent of GDP in addition to the gains from the better targeting of spending on the poor.

  In June 2013, Government launched DBT for LPG in 18 districts. These districts are located across 8 States and 2 Union Territories. The road map envisages that LPG cylinders will be sold at non subsidised rate and the subsidy will be credited to the bank account of the customer after he/she draws cylinder.

- **Natural Gas Pricing:** The Government's policy of keeping low prices for domestically produced natural gas though addresses the woes of key consumers like fertilizers and power sectors, the producers do not find it to be adequately remunerative and thus the overall development of natural gas sector is affected in the country. During the year, Rangarajan Committee proposed a new pricing formula for gas. As per the formula, the average of the price of imported gas across sectors over a 12-month period and that of prices in the three major international gas trading hubs are to be taken to arrive at the price of the domestic gas. The price based on this formula will be more than current prices which domestic producers are getting in the country, but will still continue to be lower than the international spot price of LNG. Subsequently, Government has given its approval to this pricing formula, which will become applicable from April 2014.

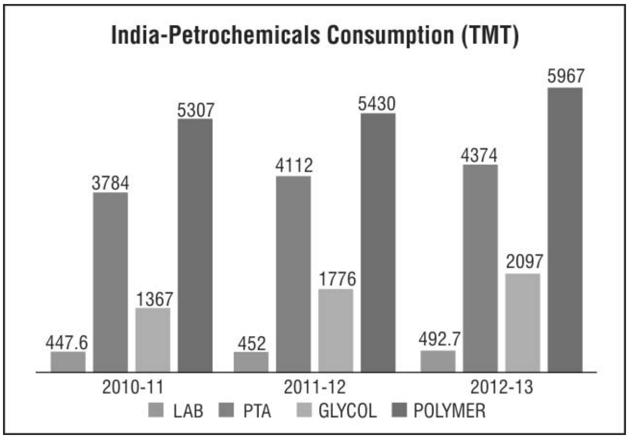
Petrochemicals Sector

During the year, global petrochemicals margins improved as demand remained stable & feedstock prices fell. In US especially, lower gas prices supported by the shale gas revolution have given fillip to profitability of North American Crackers.

The global polyethylene market has been witnessing structural shifts. On one hand, investments are getting increasingly concentrated in Middle East and the Asia Pacific which have low cost feedstock and high demand growth rates. On the other, in Western Europe there is trend towards consolidation, operations optimization, and moves toward the production of higher value, performance products. In North America the low cost shale gas has given a boost to the polyethylene (PE) business, making PE exports highly competitive, globally. Accordingly, several regional producers have announced capacity expansion through capacity additions and green-field projects.

As regards, the global Polypropylene(PP) market, China will continue to serve as the driving force, with growth rates estimated at over 7 percent per year for the next five years. The abundance of raw materials like propane in North America or coal in China is causing producers to turn into these materials as feedstocks for propylene production. However, in the interim PP products are likely to enjoy differential margins. Further, naphtha based cracker are likely to enjoy further advantage over ethane based producers in terms of value addition obtained from production of other molecules like Butadiene, Acrylates, Oxo-alcohols, etc.

The petrochemical industry in India is one of the fastest growing industries in the country. It plays an important role in the growth of the economy and the



country's development of the manufacturing industry; providing a foundation for manufacturing industries like construction, packaging, pharmaceuticals, agriculture, textiles, etc. With a per capita plastic consumption of 6-7 Kg as against 66 Kg in developed countries like the US, the industry has a huge untapped potential to be explored. The rapidly expanding domestic market and the availability of skilled manpower at competitive costs have been supporting high growth rates for the sector.

In 2012-13, overall petrochemicals demand in the country grew by 10% accelerating from 8% recorded in 2011-12. With domestic detergent industry growing by 5% the demand for LAB was buoyant and grew by 8%. A major chunk of the demand was met through low cost imports from Middle East as there continues to be a supply deficit in the country. PTA & MEG demand was propelled by increase in downstream Polyester capacity. A general shortfall in domestic availability was seen for most part of the year and would continue for some time till new capacities come on stream.

Polymer consumption grew by 10% in 2012-13, accelerating from 8% recorded in 2011-12, with good growth coming in from PP Raffia, PP Films, Molding and Blow Moulding sectors. Within Polymers, segments such as Pipes, and automotive grades witnessed sluggish demand on account of slow pace of activity in Infrastructure, Telecom and Automotive sectors. Supply outage during the second half of the year siphoned off a major chuck of domestic supply. Overall Polymer imports grew by 22% during 2012-13, wide fluctuations in global Polymer prices along with a depreciating and volatile Rupee affected domestic availability.

Looking ahead, overall demand of Polymers is expected to grow at double-digit rates riding on the initiatives taken by the Government to boost economic growth. Further, the relaxations announced in Jute Packaging Materials Act are expected to give sharp increase in PP & HD Raffia demand. Also, major infrastructure and telecom projects are likely to witness good growth bringing momentum to pipes, geotextiles and other plastic products. Policy support to entry of FDI in retail will bring significant increase in demand of various packaging films, mainly HM and BOPP films.

On the supply side, capacity additions between 2013 and 2017 are expected to add about 1.5 million metric tons of polypropylene and 2.2 million metric tons of polyethylene in the country. The resultant increase in supply is expected be absorbed significantly by the growing domestic demand. The recent increase in Customs duty applicable on Polymers from 5% to 7.5% is a welcome development for domestic suppliers and is expected to sustain net margins for producers.

India is fast emerging as a sourcing hub for the petrochemicals products for Indian sub-continent region. IndianOil has played an important role in integrating neighbouring markets viz. Nepal & Pakistan with the Indian economy becoming the leading supplier in both the markets and displacing the traditional Middle East/ South East Asian suppliers. IndianOil has taken a lead in diversifying the exports portfolio thus aligning with the various provisions of the India's Foreign Trade Policy 2009-14.

OPPORTUNITIES AND CHALLENGES

Core Business

Petroleum products, after coal are the largest source of meeting energy needs in India. Petroleum products are the mainstay of the Indian transportation sector, have a large market in the household sector, agriculture and industry as well.

Refining

Historically, the Corporation's Refineries have been set up at various vintages and as a result the refining capacities were expanded over a time period commensurate with prevailing market demand, availability of crude and product mix requirement in the region. Post deregulation of refining industry in the country, it was only pertinent for the oil companies to invest to make their refineries competitive for enabling them to sustain in the years to come. Across the globe, particularly in Japan and Europe, a lot of refineries have gone for closure in face of newer environmental/quality requirements due to their old process units as well as cost competitiveness with low capacity. On the other hand, the new refineries that are coming up have world scale capacity, higher complexity and higher operating efficiency thereby making competitiveness way above the older refineries. Accordingly, the Corporation has been expanding its existing refineries, wherever feasible, along with suitable upgrading units, based on techno-economic considerations and compliance to environmental norms to make them economically attractive in the years to come. Along with this, a major focus is on setting up new grass-root refineries with world scale capacity having higher complexity in Coastal location for processing opportunity crudes, maximising value added products, minimising crude import logistic cost and also making product movement cost effective. Presently, the Corporation is constructing a mega green-field coastal refinery project in Paradip, Odisha. The 15 MMTPA refinery is slated for commissioning in 2013-14, which with its state of the art design is set to boost up the overall performance indicators of the Corporation. For instance, processing of high sulphur crude will increase to 67% once Paradip Refinery is operational from 53.3% in the year 2012-13.

Imported crude oil forms a major raw material for the Corporation's refineries. The vagaries of the international crude oil prices coupled with the domestic price control leave only a little room where the Corporation can make a difference in face of the adversities of these exogenous factors. The Corporation is committed towards maximizing the benefits from areas under its control and choice. An important area in this context, is diversification of its crude basket and sourcing heavier and opportunity crudes with a view to improve margins. Presently, the share of opportunity crudes (Heavy & High TAN) is over 13%. The Corporation envisages to double this to over 26% once its Paradip Refinery is operational. Efforts are also on to upgrade the bottom of the barrel by introducing new residue upgradation technologies like setting up of Hydrocrackers, Delayed Cokers and revamping of Resid Fluid Catalytic Cracker (RFCCs) etc. Another thrust area is reduction in energy consumption and operating cost in the Corporation's refineries and other locations. It is noteworthy that there has been sustained improvement in the energy conservation management at refineries.

Marketing

The Corporation has established its position as the market leader in the downstream petroleum sector of the country. Delivery of quality products and quality services is the overarching objective of the Corporation. Its pan India sales network continues to be its major strength. The year witnessed significant changes in the policy domain, which are set to bring about structural changes in the petroleum products market in the country. This new paradigm will be defined by high levels of Competition as the retail market opens up to the dynamics of market forces.

The Corporation's strategy for maintaining its leadership in the retail business rests on the two Cs of Customer Loyalty & Cost Optimization.

Customer loyalty is directly dependent on the quality of goods and services that the Corporation provides. Automation, modernization of the dispensing units, improving Retail Visual Identities of retail outlets and imparting training to dealers and pump attendants are key determinants of the customer experience which overtime converts into customer loyalty. The Corporation leads the industry with a total of 4377 ROs having been automated as of 31.03.2013. Better customer perception leading to customer loyalty and incremental sales which in turn increases the RO profitability and overall volume gains/ growth for the oil Company can be achieved by leveraging the aspect of RO automation. The Corporation has implemented GPS-based vehicle tracking system in all its 105 supply locations and this marks a major milestone towards providing quality fuel to the customers. Under the vehicle-tracking system tank trucks carrying fuel are fitted with the GPS enabled devices which help in tracking their movement to ensure that products supplied are not pilfered. Along with this in the growing market, replicating the customer loyalty rests on expansion of the network and delivery of quality services. In pursuit of this, the Corporation's retail expansion drive and emphasis on highest level of services at its Retail Outlets is a major focus area.

Cost optimisation in the context of marketing operations is critically dependent on the efficiency of its infrastructure. Given the large scale of its infrastructure, rationalization to avoid duplication, to use the most efficient option and to create new infrastructure wherever there are gaps has been an area of focus for quite some time now. The other thrust area in context of cost optimization is technology. The role of technology as a key enabler cannot be overemphasized. Automation of the entire distribution infrastructure by the Corporation is bringing productivity gains and cost reduction.

LPG is another market, which is set to witness fundamental changes. Initiatives to cut down subsidized LPG through capping of subsidized cylinders, along with Aadhar based direct cash transfers and consumer portability across companies are pivotal in transforming the market from being supply driven to a consumer driven market. The Corporation is gearing up to meet the challenges in the new market scenario by expanding and rationalizing its LPG infrastructure. At present a number of LPG pipeline projects are under implementation. Further, Corporation's JV Company has commissioned its LPG import terminal in Ennore during the year. A number of new initiatives have been taken to stream line the LPG distribution system and making it more transparent and customer centric with the help of IT enabled solutions such as Transparency Portal, Web Based Indsoft and Emergency Service Care, etc.

In the Consumer business segment the Corporation enjoys majority share in most of the products. The Government's target of scaling up the manufacturing base of the country and the upcoming industrial corridors present replete growth opportunities to the Corporation . The Corporation aims to tap this opportunity by further expanding and strengthening its relations with industrial buyers by providing quality products and services through an efficient infrastructure network.

The Corporation has a stronghold in the ATF market. It leads the market with an over 60% market share. While, presently, the overall situation for the market continues to be tough in view of the slowdown in the aviation business. In the future, the segment holds promising prospects in view of the various reform measures being introduced by the Government in the Civil Aviation Sector. The Corporation aims at garnering these opportunities by investing in infrastructure, product quality and services.

Lubes business is a special focus area for the Corporation. The Corporation's *SERVO* brand continues to be the overall market leader in the domestic Lubes market despite the market being highly dynamic & competitive with more than 30 established players. In the industrial segment, the Corporation through its specialized and customized offerings dominates over 40% of the market and aims at excelling further. While in the retail segment, despite stiff competition the Corporation has a sizeable share of the market and is a prominent player, it aims to establish itself as the number one player. During the year, the Corporation introduced a number of initiatives such as *SERVO* Marts, *SERVO* Boys, Reward Scheme for ROs, Special incentives for RO Managers and Pump attendants etc. to scale up Lube retail sales.

In view of the sizeable latent demand of rural markets, these are of special importance to the Corporation. Owing to their, peculiar consumption patterns as differentiated from the urban demand, the Corporation has adopted a no-frills- low throughput format for these markets through its KSKs for more than a decade now. The network of KSKs has been growing from strength to strength.During the year it reached the level of 5256, which constitutes about 24% of RO network. Rural Kisan Seva Kendras (KSK) have also shown higher growth than the regular ROs. Their Per Pump Throughput has increased steadily and significantly. Moreover, the rural market for LPG is also expanding with the Government's Rajiv Gandhi Gramin LPG Vitaran Yojana (RGGLVY), in which the Corporation is partnering in a big way. The Corporation has formulated and implemented expansion plans with in roads into rural markets through RGGLVs besides more regular distributorships closer to customers. With city demand for LPG expected to stabilize in the future with expansion of CGD, rural market presents a sizeable growth opportunity to the Corporation's LPG business.

In addition to the domestic market, the Corporation has presence in the overseas downstream petroleum sector. It's subsidiaries in Sri Lanka and Mauritius have sizeable presence in fuel retailing and terminal business in these countries, besides its subsidiary in Dubai markets and exports lubricants to countries in Middle East and Africa. The Corporation has been exploring opportunities for further entrenching its presence in newer growth markets by leveraging its vast experience in the Indian market.

Pipelines

The Corporation has the largest crude and product pipeline in the country. Its pipelines network is a major source of strength as it facilitates cost-effective and environment friendly transportation. Today, as the Corporation's refineries gear up to process more and more of heavier crudes, its crude pipeline will have to cater to carrying these heavier crudes. The Corporation during the year set up a crude blending facility in Vadinar and is augmenting the capacity of its 2 major pipelines to carry higher viscosity crude. There are plans to lay a heated pipeline for pumping neat Rajasthan crude to its refinery in Gujarat.

In the case of product pipelines, the challenge is to work out ways to enhance capacity utilization of our existing networks. LPG is an area where substantial expansion in the pipeline network is called for. LPG imports account for 30% of India's product imports and building a nation-wide LPG for bringing imported LPG and domestic LPG to the consuming centres is a special area of focus for the Corporation, which is expected to boost the efficiency of our supply chain significantly. Pipelines enjoy the inherent advantages of being safer, more reliable and environment friendly.

LPG positioning cost through pipelines is significantly cheaper as compared to road. The Corporation has identified prospective LPG pipelines. Presently, its Paradip Haldia Durgapur LPG pipeline project is under implementation.

Natural gas pipelines are increasingly emerging as a new opportunity for the Corporation. At present, gas pipelines capacity in the country is low at 334 mmscmd, with major infrastructure confined to the North & Western part of the country. Having built its strong hold in the petroleum pipelines, it is aiming to establish a significant position in the national natural gas grid. IOC in consortium with GSPL, BPCL and HPCL, is participating in setting up three gas pipelines from West and East to North.

Petrochemicals

The low per capita consumption of petrochemicals in the country coupled with the robust growth in consumption make petrochemicals business ripe with opportunities. Over the last decade the Corporation has established itself as the second largest domestic supplier and achieved customer support and loyalty.

The overall market for petrochemical is highly competitive with cheap imports also posing tough competition. Moreover, with capacity addition lined up, the competition is expected to get stiffer. In the backdrop of this, it is pertinent for the Corporation to scale up capacities in the existing segments and improve its profitability.

The Corporation plans to invest in projects worth ₹ 35000 crore during the XII & XIII Plan periods. A major thrust is to enter the import substitution market. The upcoming Butadiene Extraction Unit and the Styrene Butadiene Rubber (SBR) units at Panipat are steps in this direction. Corporation's SBR plant will be India's first capacity 120 KTA based on the potential Butadiene streams available at its Panipat Naphtha Cracker.

The market for polymers, in which the Corporation has ventured, is highly fragmented with many niche and specialized products. In this context the thrust is to enter niche & specialized markets. A major challenge for the Corporation is to keep identifying and working on potential molecules and streams. In order to improve the margin and reduce the cash cost of ethylene produced from of Naphtha cracker at Panipat, various projects based on Naphtha cracker streams have been envisaged to create value by utilization of every molecule. These projects are at various stages of study/ development. Further, the Corporation is planning and developing projects utilizing all the molecules avilable from Refinery i.e. Propylene, Petcoke, etc. in the form of various products i.e. Acetic Acid, Acrylates, Oxo-alcohols, cumene, phenol, etc. with the aim of entering into specialty segments.

Gas

The Corporation's gas business has been growing steadily and awaits taking on the next level as opportunities are replete. The Corporation envisages building its presence along the entire value chain of gas business in the country.

India's gas demand is projected to grow at a CAGR 4.2 percent in India during the period 2010-2035. However, the gas market in India is constrained by the domestic production. As per the Working Group on Petroleum & Natural Gas for XII Plan, by 2022, overall gas demand is expected to be 606 mmscmd which is way above the projected domestic production of 243 mmscmd. In this context, LNG imports to India are set to play a critical role in bridging the demand –supply gap in the country.

Presently, Eastern Coast of India does not have any LNG terminal and India has only a few domestic players in Gas business. The Corporation is setting up a 5 MMTPA LNG import terminal in Tamil Nadu that shall cater to starved market of southern India with large demand from industries, refineries and power utilities. With the coming up of Ennore LNG Terminal, it is estimated that the Corporation shall have 15% of country's LNG Terminal capacity by 2016-17 as per report of the Working Group on Petroleum & Natural Gas Sector for the 12th Five Year Plan. The Corporation proposes to expand its gas business and attain significant position in the gas market. The North American Shale bonanza has augured a new age of gas and increased gas sourcing opportunities manifolds.

Another focus area for the Corporation is City Gas Distribution (CGD). The Corporation has adopted a consortium approach and is partnering with other player to build CGD networks across the geographical areas identified by PNGRB, the regulatory authority. CGD segment is distinctive in regard to its demand being highly price inelastic and thereby in its capability to take even high imported LNG prices.

E&P

The global E&P scene has brightened over the last few years with the coming in of newer fuels and newer geographies. However, the upstream business is inherently risky and the volatile crude oil prices hovering consistently above US$100 per barrel have made acquisition of discovered/producing assets more challenging. The Corporation has been making concerted efforts to acquire producing/ near term producing/ under development/ discovered upstream assets overseas, either alone or in consortium. In line with this, it had acquired stake in Carabobo Project in Venezuela in 2010-11 and during the year two oil wells came into production. Further, in its most recent endeavour, IndianOil has acquired 10% working interest in producing shale oil condensate asset in USA along with Oil India Ltd. (OIL). It is the first unconventional hydrocarbon asset and its first producing asset in which a stake has been acquired. The Corporation is gaining valuable experience as an operator in its Cambay blocks and also from its producing assets where it has participating interest. The Corporation's journey in Exploration & Production is gaining strength step by step with a view to establishing itself as an operator as well as a global upstream player.

R&D

The Corporation places significant thrust on knowledge and research based growth. In context of the vagaries of the international crude oil prices and changing domestic pricing regime R&D is viewed as a key competitive advantage driver for the Corporation. Investment in proprietary research in lubricants, catalyst, refinery and pipelines operations, and product offerings is viewed as a thrust area for the Corporation. R&D for its new businesses, especially, petrochemicals and alternative energy is emerging a major focus area for the Corporation. An example of the fast pace with which IndianOil is pursuing these newer businesses was commissioning of the first integrated Lignocellulosic Biomass to ethanol pilot plant in India by R&D Centre of IndianOil with technological support from National Renewable Energy Laboratory (NREL) USA. Another breakthrough achieved was the successful demonstration trial for co-processing of 6.5% of Jatropha oil along with diesel feed in DHDT unit of Corporation's subsidiary CPCL's refinery. This process by using the existing refinery infrastructure fares way better in comparison to the biodiesel option.

Sustainability

The Corporation's understanding of sustainability is that of Enterprise Sustainability and is therefore for us an overall umbrella that encompasses all aspects of the Corporation's business. Mitigation actions, such as Rainwater Harvesting, organising Carbon Neutral events and Awareness Generation Programmes are becoming a regular feature in the Corporation. Through its new CSR initiatives such as the Sachal Swasthya Seva centred around its KSKs is synergizing the social & economic spheres of its operation. Further, the Corporation is expanding its green energy business portfolio. Today, the Corporation has built up generation capacities in the Solar & Wind spaces and plans to scale these up further and thereby integrating the economic and environment spheres of its business.

Human Resource

Human Resource is the key strength of any organization. Attracting and retaining the required talent is a continuing challenge for the Corporation. As Corporation's business in areas beyond its core expands it has been working towards diversification of its talent pool as well. Initiatives for bringing in greater transparency, fairness and equity for the employees in respect to their career paths are a thrust area for the Corporation. A major challenge that has emerged in the context of the changing business realities that are set to play in, as competition in the market increases is to equip, train, facilitate, motivate and rationalize its manpower. With deregulation, the market is set to become highly dynamic in all its dimensions. In this context, prompt decision making would be critical for tapping business opportunities and for ensuring this the Corporation intends to work towards rationalization of its operating structures and this in turn would induce greater efficiency levels.

RISKS & CONCERNS

Pricing Policies: At present the prices of Diesel (retail), PDS Kerosene and Domestic LPG are being regulated by Government i.e the selling prices are kept lower than their market level. The under recovery arising out of the difference in selling price and its market level, is compensated partly by way of discount on crude/products supplies by upstream Oil Companies and partly through Government subsidy. However, there is no established mechanism regarding quantum and timing of disbursement of such compensation which affects the financial health of the Corporation adversely. Consequently, the Government decisions on the compensation mechanism towards reimbursement of under-recoveries on the subsidised products which are not within the control of the Corporation, continue to be a critical area of concern.

High Debt level: The Corporation's rising debt and deteriorating debt-equity ratios are a serious area of the concern. The burden of under-recoveries and the time lag between incurrence of under-recoveries and cash compensation provided by Government, has been forcing the Corporation to increasingly resort to borrowings.

Geo-Politics & Speculative Activity: Geopolitical developments, instability in certain regions, and speculative activity in oil markets pose a major risk to the Corporation. During the year, political instability in Middle East continued to play a role in building risk premium in the price of crude.

Rupee Depreciation: The weakening of the Rupee against the Dollar during the year countered the benefits of the falling crude oil prices. Exchange rate movements continue to be a serious area of concern for the Corporation given its high and growing import dependency.

Statutory Clearances: The Corporation is undertaking projects worth thousands of crore across its business segments. A number of its projects have got delayed due to delay in receipt of statutory clearances resulting in cost and time overruns. This has substantial financial implications and is a major area of concern. Besides, local issues, protests and political unrest at a few sites have also been a cause of delay in some projects and continued to be an area of concern.

Safety & Security: For the Corporation's pan India refinery, marketing & pipeline infrastructure, safety and security is a priority concern at all times and at all locations. Given the hazardous nature of products handled, the Corporation is fully committed to compliance to all guidelines with respect to health, safety & environment. The unfortunate accident at its Hazira Terminal came as a major setback to the Corporation's safety efforts. The Corporation is committed to bridge all the gaps and is working towards institutionalizing safety as the first and foremost priority at all times.

FINANCIAL REVIEW

Turnover

The turnover of your Corporation (inclusive of excise duty) for the year 2012-13 was ₹ 4,14,909 crore as compared to ₹ 3,73,926 crore in the previous year. The total sale of products (including gas and petrochemicals) for 2012-13 was 76.24 MMT as against 75.66 MMT during 2011-12.

Profit Before Tax

The Corporation has earned a Profit Before Tax of ₹ 5,648 crore in 2012-13 as compared to ₹ 3,754 crore in 2011-12.

Provision for Taxation

An amount of ₹ 643 crore has been provided towards income tax for 2012-13 considering the applicable income tax rates as against ₹ (201) crore provided during 2011-12.

Profit After Tax

The Corporation has earned a Profit After Tax of ₹ 5,005 crore during the current financial year as compared to ₹ 3,955 crore in 2011-12.

Depreciation & Amortisation

Depreciation for the year 2012-13 was ₹ 5,201 crore as against ₹ 4,867 crore for the year 2011-12.

Finance Cost

Finance Cost of the Corporation for the current year was ₹ 6,409 crore as against ₹ 5,590 crore during 2011-12.

Borrowings

The borrowings of your Corporation were ₹ 80,894 crore as on March 31, 2013 as compared to ₹ 75,447 crore as on March 31, 2012. The Total Debt to Equity ratio as on 31st March, 2013 works out to 1.32:1 as against 1.30:1 as on 31st March, 2012 and the Long Term Debt to Equity ratio stands at 0.39:1 as on 31st March, 2013 as against 0.38:1 as on 31st March, 2012.

Capital Expenditure

Gross Fixed Assets (including Capital Works in Progress) increased from ₹ 1,12,871 crore as on 31.03.2012 to ₹ 1,23,113 crore as on 31.03.2013. In addition, capital advances for LSTK projects have also gone up from ₹ 8,082 crore in 2011-12 to ₹ 9,291 crore in 2012-13.

Investments

Investments as on 31st March, 2013 were ₹ 18,671 crore as compared to ₹ 18,678 crore as on 31st March, 2012. The decrease in investments during the year is mainly due to sale of Government of India Special Oil Bonds. The aggregate market value of quoted investments as on 31st March, 2013, i.e., investments made in ONGC Ltd., GAIL(India) Ltd., Oil India Ltd., Chennai Petroleum Corporation Ltd., Petronet LNG Ltd. and Lanka IOC Plc., is ₹ 25,395 crore (as against the acquisition price of ₹ 3,828 crore).

Earnings Per Share

Earnings Per Share works out to ₹ 20.61 for the current year as compared to ₹ 16.29 in the previous year.

Earnings in Foreign Currency

During the year, the Corporation earned ₹ 18,559 crore in foreign currency as against ₹ 19,811 crore in 2011-12, which is mainly on account of export of petroleum products.

SEGMENTWISE PERFORMANCE

(₹ in Crore)

	Sale of Petroleum Products	Sale of Petrochemicals	Other Businesses	Eliminations	Total
External Revenue	4,24,943	15,596	6,557	-	4,47,096
Inter Segment Revenue	10,114	40	5,092	(15,246)	-
Total Revenue	**4,35,057**	**15,636**	**11,649**	**(15,246)**	**4,47,096**
Operating Profit	9,553	530	(17)	-	10,066

Notes:

A. Segment Revenue comprises Turnover (Net of Excise Duties), Net Claim/(Surrender) of SSC, Subsidy & Grants received from Government of India and Other Operating Income.

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

INTERNAL CONTROL SYSTEMS

The Corporation has well-established internal control systems. However the growing business activities of the Corporation call for constant review of the efficacy of the internal control mechanism. Detailed Manuals and well documented policies on various aspects of business activities are already in place. Notwithstanding, the internal processes are continuously reviewed, strengthened and revision of policies and guidelines are constantly carried out to align with the changing needs. Taking forward the initiatives to revamp policies and procedures relating to procurement, the process of e-tendering has been initiated. The IT team continuously collaborates with various functions to provide solutions to the internal and external customers, and extend IT enabled services across the entire procurement-to-pay process. The Corporation has an independent Internal Audit Department headed by an Executive Director (below Board level), who reports to the Chairman. The Internal Audit Department has a mix of officers from finance and technical functions. The audit assignments are carried out as per the Annual Audit Programs approved by the Chairman and Audit Committee. The Internal Audit 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. The Statutory Auditors, during the process of financial audit, check the internal control efficacy. The significant observations, corrective actions and good practices suggested by Statutory and Internal Auditors are reviewed by the Management and Audit Committee (which comprises entirely of independent Directors) for appropriate implementation in order to strengthen the controls of various business processes. The Audit Committee reviews the recommendations and observations of the Internal Audit Department regularly.

HUMAN RESOURCES / INDUSTRIAL RELATIONS

The Corporation recognises the importance of human capital for the success of its business. The Corporation acquires the best talent in the country from leading institutes and universities. It has been working towards nurturing and retaining talent. Job rotation and inter-location transfers throughout the organisation facilitates planned development of careers and broaden outlook. In view of the rising competition in the domestic market, acquiring and retaining manpower is a challenge.

The industrial relations climate in the Corporation remained harmonious, peaceful and cordial during the year. Employees' Participation has been ensured through information sharing with employees regularly seeking their support, suggestions and co-operation. IndianOil continues to align its HR strategies with organisational strategies. The employee strength of IndianOil as on 31st March, 2013 was 34,084 including 14,981 officers.

Information regarding Corporate Social Responsibility, Environmental Protection & Conservation, Technological Conservation, Renewable Energy Developments, Foreign Exchange Conservation has been included in the Director's Report and Annexure thereto.

CAUTIONARY STATEMENT

Statements in the Management's 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 demand and supply 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.

Diesel Selling Point at Veraval, Gujarat

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1. **Corporate Identity Number (CIN):** L23201MH1959GOI011388
2. **Name of the Company:** Indian Oil Corporation Limited
3. **Registered Address:** Indian Oil Corporation Limited, IndianOil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai-400051
4. **Website: www.iocl.com**
5. **Email id:** investors@indianoil.in
6. **Financial Year reported:** 2012 – 2013
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Group	Class	Sub-class	Description
192	1920	19201	Production of liquid and gaseous fuels, illuminating oils, lubricating oils or greases or other products from crude petroleum or bituminous minerals
		19202	Manufacture of paraffin wax
		19203	Bottling of LPG/CNG
		19209	Manufacture of other petroleum n.e.c. (includes manufacture of petroleum jelly, micro-crystalline petroleum wax, slack wax, ozokerite, lignite wax, petroleum coke, petroleum bitumen and other residues of petroleum oils or of oils obtained from bituminous minerals)
202	2029	20292	Manufacture of explosives
201	2013	20131	Manufacture of plastics in primary forms
	2512	25121	Manufacture of metal containers for compressed or liquefied gas
352	3520	35202	Distribution and sale of gaseous fuels through mains
061	0610	06102	Onshore extraction of crude petroleum
351	3510	35105	Electricity power generation using Solar Energy
		35106	Electricity power generation using Non-conventional sources
493	4930	49300	Transport via pipeline
466	4661	46610	Wholesale of solid, liquid & gaseous fuels & related products
473	4730	47300	Retail sale of automotive fuel in specialized stores (petrol filling stations)
477	4773	47736	Retail sale of household fuel oil, bottled gas

As per National Industrial Classification – Ministry of Statistics and Programme Implementation

8. **List three key products / services that the Company manufactures / provides (as in balance sheet):** • Petroleum Products • Petrochemicals • Gas
9. **Total number of locations where business activity is undertaken by the Company:**
   - **(i) Number of International locations:** The Company undertakes overseas business activities through its subsidiaries at Mauritius, Srilanka, UAE and USA and also pursues upstream business activities along with its consortium partners at USA, Libya, Iran, Gabon, Nigeria, Yemen and Venezuela.
   - **(ii) Number of National locations:** (as on 31.03.2013)

No.	Locations	No.
1	Refineries.	8
2	Oil Depots & Terminals.	135
3	Aviation Fuelling Stations.	97
4	LPG Bottling Plants.	90
5	Lube Blending Plants.	15
6	Pipelines Terminals.	83
7	R&D Centre.	1
8	Retail Outlets.	16837
9	Kisan Sewa Kendra (Village Rural Outlets).	5535
10	LPG Distributors (including distributorships under Rajiv Gandhi Gramin LPG Vitarak Yojana).	6467
11	SKO/LDO Dealers.	3938
12	Solar Power Plant	1
13	Wind Power Project	2

10. **Markets served by the Company - Local / State / National / International:** National and International.

Section B: Financial Details of the Company

1. **Paid up capital (INR):** ₹ 2,427.95 crore (as on 31.03.2013)
2. **Total turnover (INR):** ₹ 414,909 crore (for FY 2012-13)
3. **Total profit after taxes (INR):** ₹ 5,005 crore (for FY 2012-13)
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** 1.6% of the profit after tax during financial year 2012-13
5. **List of activities in which expenditure in 4 above has been incurred:-**

   The broad areas where the expenditure is incurred are towards health care, facilitating education, skill development programmes, provision of drinking water, promotion of sports, providing LPG connections to BPL families.

Section C: Other Details

1. **Does the Company have any Subsidiary Company/ Companies?**

Name	Business
Chennai Petroleum Corporation Limited (CPCL)	Refining of petroleum products
IndianOil (Mauritius) Ltd., Mauritius	Terminalling, Retailing of Petroleum products & Aviation refuelling
Lanka IOC PLC, Colombo, Srilanka	Retailing, Terminalling & Bunkering of Petroleum products
IOC Middle East FZE, Dubai, UAE	Lube blending & Marketing of Lubricants
IndianOil CREDA Biofuels Limited	Biofuels
IOC Sweden AB, Sweden	Exploration & Production
IOCL (USA) Inc., USA	Shale Gas

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

   IndianOil has 2 Indian subsidiaries and 5 overseas subsidiaries. The Indian subsidiaries do not participate in the Business responsibility initiatives of the parent Company. However, CPCL is a listed Mini-Ratna Company which participates in its own BR initiatives and adheres to such other guidelines as issued by the Government from time to time.

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

   No other entities that the company does business with participate in the BR initiatives of the company.

Section D: BR Information

1. **Details of Director/Directors responsible for BR**

   a) Details of the Director/Director responsible for implementation of the BR policy/policies

Director name	:	Shri R.S.Butola
DIN	:	00145895
Designation	:	Chairman and Director(HR)

   b) Details of the BR Head

S.No	Particulars	Details
1.	DIN Number (if applicable)	-
2.	Name	Shri Lee Bee Sen
3.	Designation	Executive Director (HR & CSR)
4.	Telephone number	011-26260070
5.	e-mail id	senlb@indianoil.in

2. **Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N):**

   The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

P1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 – Businesses should promote the well-being of all employees.

P4 – Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

P5 – Businesses should respect and promote human rights.

P6 – Businesses should respect, protect, and make efforts to restore the environment.

P7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 – Businesses should support inclusive growth and equitable development.

P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Questions	P 1: Ethics	P 2: Products & Services	P 3: Employees	P 4: Stakeholder Engagement	P 5: Human Rights	P 6: Environment	P 7: Public Policy	P 8: Inclusive Growth/ CSR	P 9: Customer
Do you have policy/policies for....	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Has the policy being formulated in consultation with the relevant stakeholders?	As a Government Company, IndianOil is governed by guidelines, procedures and policies issued by the Government of India from time to time. Additionally, in keeping with vision of the company and the changing business environment, IndianOil constantly reviews its business policies and practices towards developing a sustainable business agenda. Industry practices/ standards at National and International level are kept in view while devising such policies.								
Does the policy conform to any national /international standards? If yes, specify? (50 words)									
Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	The policies are approved at appropriate levels by the competent authority including the Board, wherever required.								
Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Policy frameworks are regularly monitored in course of its day-to-day business operations. Additionally, Board has delegated certain powers to various committees of the Board with distinct roles and responsibilities.								
Indicate the link for the policy to be viewed online?	http://www.iocl.com/AboutUs/Vision.aspx http://www.iocl.com/Aboutus/sustainability.aspx http://www.iocl.com/AboutUs/Environment(SHE).aspx http://www.iocl.com/Aboutus/IndianOil_CSR_Policy_22_sep_2011.pdf								
Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Does the company have in-house structure to implement the policy/policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Policies are constantly monitored and reviewed from time to time.								

2a. If answer to S.No. 1 against any principle, is 'No', please explain why:

Not Applicable

3. Governance related to BR:

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

  The various principles of BR performance are reviewed by the Board / Committee of the Board from time to time.

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

  Yes. IndianOil publishes the 'Sustainability Report' annually. The link to view the sustainability report 2011-12 is http://www.iocl.com/Aboutus/sustainability.aspx.

Section E: Principle-wise performance

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

The Company has in place adequate measures and control to address such issues in the context of appropriate policy guidelines issued by the Government from time to time. The policy relating to ethics, bribery and corruption covers the company as well as its business partners. IndianOil values business relationships with its domestic as well as international contractors, vendors of goods and services. The Company has entered into MoU with Transparency International India for enhancing transparency in its business transactions, contracts and procurement processes. Additionally, IndianOil is a founder member of United Nations Global Compact (UNGC), an international initiative with UN agencies, labour and civil societies to support universal environmental and social principles.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   The Company had received 1710 complaints from the shareholders during the year which were resolved within the reasonable period of time.

   In addition five complaints received with regard to tenders floated by the Company were dealt with as per the Integrity Pact of the Company and suitably resolved.

Principle 2

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   As a major player in the hydrocarbon sector predominantly supplying fuel for transportation as well as domestic and industrial use, IndianOil constantly endeavours to imbibe in its business processes, the need to address the concerns towards environment and society.

   Over the years, the Company has spent more than ₹ 20,000 crore towards quality improvement of its transportation fuels, namely Motor Spirit (MS) & High Speed Diesel (HSD), which constitute two of its major products. IndianOil has an advanced, state-of the-art R&D Centre, which has developed a number of environment friendly formulations and is conducting research in Bio-Energy and Hydrogen Fuel.

   These initiatives not only meet the stringent environmental norms but additionally through a constant upgradation of processes and absorption of technology have led the company towards attaining product stewardship.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

   ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

   Consequent upon supply of upgraded quality of transportation fuel in the market, Sulphur content in Motor Spirit and High Speed Diesel has reduced significantly which has had a positive impact on the environment. Presently, maximum sulphur content in both Euro-IV MS & HSD supplied by IndianOil is as low as 50 ppm as compared to 500 ppm in BS-II grades, which were supplied during the prior period.

   Additionally, as a part of continued efforts towards energy conservation, a number of Energy Conservation projects have been implemented during 2012-13 in refineries resulting in saving of 120,000 Standard Refinery Fuel Tonne (SRFT) in the year equivalent to about ₹ 450 crore.

   IndianOil Refineries have achieved the highest ever MBN[1] of 56.3 during the year against the previous year's MBN of 57.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)?**

   Yes

   i. If yes, what percentage of your inputs was sourced sustainably?

   Oil & Gas sector is particularly vulnerable to sectoral threats like depletion of resources and geo-political uncertainties. Company has long and short term contracts in place for its crude oil procurement. Moreover, the Company has diversified its global fuel sourcing centres. Further, efforts are put for optimisation of crude basket and minimise inventories. As per 'Risk Management Policy' of IndianOil, various risks are assessed and the crude oil is made available from all domestic as well as International markets to sustain the business.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

   If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   The company encourages participation in its business procurement process and human resource needs from local as well as small producers surrounding its places of operations. Company has sound e-procurement practices based on the principle of competitiveness and such procurement practices are executed in a manner that is transparent, fair, competitive and cost effective.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   IndianOil has made efforts continuously in improving the resource productivity through initiatives like installations of Effluent Treatment Plants, Sewage Treatment Plants, Organic Waste Converters and other sustainable practices like bio-remediation of oily sludge, rainwater harvesting, etc. During the year, about

   - 78-80% of water was reused and recycled.
   - 19780 MT of oily sludge was treated for oil recovery
   - 2784 MT spent catalyst disposed off to CPCB/ SPCB approved parties.

Principle 3

1. **Please indicate the Total number of employees.**

   The total numbers of employees of the Company as on 31.03.2013 are 34084.

2. **Please indicate the Total number of employees hired on temporary/ contractual/ casual basis.**

   1. 59 persons were engaged as Consultants/ Liaison officers/ Specialist doctors, etc. during the year.
   2. 37 persons are working as casual labourer/temporary workers
   3. IndianOil awards job contracts to contractors at its various locations for its several ongoing projects as well as operational needs. The contractors in turn engaged 70,215 contract workers during the year. IndianOil as a principle employer ensures that all statutory requirements are duly complied with.

[1] The specific energy consumption at refineries is measured in terms of MBN (MBTU/BBL/NRGF) which is the amount of energy consumed in a refinery per barrel of crude processed per unit energy factor.

3. **Please indicate the Number of permanent women employees.**
   2643 number of permanent women employees serve the company.
4. **Please indicate the Number of permanent employees with disabilities.**
   523 total permanent employees are with disabilities.
5. **Do you have an employee association that is recognized by management?**
   Yes. IndianOil has 23 recognised unions representing non-executive employees of the organisation and one officers' association for executives.
6. **What percentage of your permanent employees is members of this recognized employee association?**
   Over 99% of the employees (non-executives and executives) are members of the recognised unions and officers' association.
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

S. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	NIL	NIL
2.	Sexual harassment	2	3
3.	Discriminatory employment	NIL	NIL

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

Category of employees	% age of employees given safety & skill up-gradation training during 2012-13
Permanent Male employees	74.20%
Permanent Women Employees	61.60%
Permanent Employees with Disability	21.03%
Casual/Temporary/ Contractual Employees	94.03%

Principle 4

1. **Has the company mapped its internal and external stakeholders? Yes/No**
   Yes. The company has mapped its internal and external stakeholders.
2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders.**
   Yes. The company has further identified its disadvantaged, vulnerable and marginalised stakeholders.
3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**
   Yes. For the engagement of disadvantaged, vulnerable and marginalized stakeholders, various initiatives are taken viz. recruitment, allotment of dealership/ distributorship, Petty contracts, Expenditure on CSR, Health camps, Corpus Fund for dealership, Training, extension of life insurance coverage etc. The Company is implementing the provisions of the Disabilities Act 1995 by way of 3% reservation for physically challenged and disabled persons. In addition, various concessions and relaxations are being extended to physically challenged persons in the recruitment process.

Principle 5

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**
   The policy of the company covers human right principles. As a part of the commitment towards meeting its societal needs, IndianOil believes in safeguarding human rights within its sphere of influence.
2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**
   NIL

Principle 6

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**
   The policy on Health, Safety and Environment covers the Company. IndianOil is committed to conduct business with a strong environmental conscience ensuring sustainable development, safe work places and enrichment of quality of life of employees, customers and the community at large.
2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**
   Yes. A separate department namely 'Renewable Energy & Sustainable Development' is dedicated to formulate strategies and implement action plans to address global environmental issues such as climate change, global warming, etc. Board committee on Sustainable Development is the apex body to plan strategies and monitor Sustainable Development initiatives.

   Presently, a carbon foot-printing exercise for the entire company is underway. Carbon neutral events are a regular feature at IndianOil. In addition, the company is pursuing a drive for solarisation of its retail outlets.

Sustainability Policy encompasses environmental, social and economical aspects of the entire business operations and identifies roles and responsibilities of various departments to achieve sustainable development. Corporate Sustainability Report is published annually which gives a full account of all Sustainable Development initiatives, environmental, social and economical performances of the Company. A link to the Corporate Sustainability webpage is http://www.iocl.com/Aboutus/sustainability.aspx

3. Does the company identify and assess potential environmental risks? Y/N

Yes. Regular assessment of the environmental risks associated with operations is carried out. The Board committee on Health Safety & Environment (HSE) periodically reviews the Environmental risk and presentation is made to Board of Directors on HSE issues at every Board meeting.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Yes. The company has six numbers of projects registered as CDM projects under UNFCCC. These include an AVU Energy optimization at Digboi Refinery, four Flare Gas Recovery Systems each at Barauni, Haldia, Gujarat & Guwahati Refineries and a Wind Power Project in Gujarat.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Yes. The company has diversified into alternate energy such as wind, solar, biofuels and nuclear. IndianOil have also undertaken other sustainable initiatives. The details are given in the hyperlink http://www.iocl.com/Aboutus/sustainability.aspx

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes. The emissions/ waste generated during the course of operations are generally within the permissible limits given by CPCB/ SPCB norms.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Two environmental violations were reported during the year, which are being addressed.

Principle 7

1. Is your company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with:

Yes. The details are provided below:

National Associations	International Associations
Council of Indian Employers (CIE)	World LP Gas Association, Paris
Petroleum Federation of India (PetroFed), India	United Nations Global Compact (UNGC)
Standing Conference of Public Enterprises (SCOPE), India	International collaborations (U21 Global Universitas, Singapore, ifp France, etc.)
National HRD Network (NHRD)	Transparency International India (TII)
Indian Institution of Industrial Engineering	
Confederation of Indian Industry (CII)	
The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	
Federation of Indian Chambers of Commerce and Industry (FICCI)	
All India Management Association (AIMA)	
TERI-Business Council for Sustainable Development	

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes. IndianOil proactively advocates for public welfare with an aim to bring positive change in governance and compliant behaviour among key stakeholders such as employees, customers and business partners. IndianOil is actively involved with Committees of Government of India and other organizations for advancement or improvement of public good by contributing to Economic Reforms, Sustainable Business Principles, Energy Security, Inclusive Development Policies, viz.

- National Mission for Enhanced Energy Efficiency
- DPE guidelines for Sustainable Development
- DPE Guidelines for CSR

Principle 8

1. **Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Yes. The details are as follows:

Scheme	Benefits
IndianOil Sachal Swasthya Seva	11.7 lakh patients were treated
Assam Oil School of Nursing (AOSN), Digboi	Since its inception in 1986, 316 students have successfully completed
AOD Hospital, Digboi	1.06 lakh patients were treated
Swarna Jayanti Samudaik Hospital, Raunchi Bangar, Mathura	about 58,500 patients were treated
IndianOil Education Scholarship Scheme	IndianOil awarded 2600 Scholarships on merit-cum-means basis
IndianOil Sports Scholarship Scheme	97 scholarships were awarded to upcoming junior players 14 to 19 years of age
MoC with Tata Institute of Social Science, Mumbai	Baseline Survey in about 203 villages at the vicinity of 29 IndianOil locations were conducted
LPG Scheme	Grant to BPL families in the rural areas for release of new LPG connection under (RGGLV Yojana)

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

   Programmes / projects are implemented by NGOs/vendors/institutions/government bodies etc and some are implemented by in–house team.

3. **Have you done any impact assessment of your initiative?**

   Yes. The impact assessment of CSR initiatives is done in line with the guidelines issued by Department of Public Enterprises, Government of India.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

Community Development Projects	Total Expenditure during 2012-13
IndianOil Sachal Swasthya Seva	₹ 78.97 Crore
Assam Oil School of Nursing (AOSN), Digboi	
AOD Hospital, Digboi	
Swarna Jayanti Samudaik Hospital, Raunchi Bangar, Mathura	
IndianOil Education Scholarship Scheme	
IndianOil Sports Scholarship Scheme	
LPG Scheme	
Other CSR projects/activities in the area of clean drinking water, health & medicare, expansion of education, skill developments, etc.	

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   Yes. Various social welfare initiatives viz. health & medical care, education and clean drinking water with focus on welfare of the economically and socially deprived sections of society are implemented, mostly, in the vicinity of establishments for improving quality of life of the community. The company sets aside 2% of previous year's retained profit as annual CSR budget for various CSR activities.

Principle 9

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   0.58% of customer complaints/consumer cases are pending.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

   Yes. All our commercial products follow Bureau of Indian Standards (BIS) guidelines for product information and labelling.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   Two cases have been filed against the company regarding anti-competitive behaviour. One Case is pending before Competition Commission of India (CCI) wherein complainant has alleged cartelisation by Oil Marketing Companies, for collusive bidding in a tender for ATF supplies. The Delhi High Court has stayed the proceedings before CCI. In another case a party has alleged non- competitive price due to cartelisation by Sugar Manufacturers & joint tendering by OMCs for ethanol. The CCI dismissed the proceedings and an appeal by the party is pending before the appellate authority..

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   Yes. Besides the regular customer engagement initiatives, the company conducts consumer survey as well to get appropriate market feedback and improve upon the deliverables to meet the customer expectations.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

IndianOil believes that good Corporate Governance practices ensure ethical and efficient conduct of the affairs of the Company and also help in maximizing value for all its stakeholders like customers, employees and society at large in order to build an environment of trust and confidence among all the constituents. 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
- Corporate Social Responsibility / Sustainable development
- Human Resources initiatives

In recognition of good governance practices, IndianOil has been awarded the prestigious "ICSI National Award 2012 for Excellence in Corporate Governance" as well as the Gold Trophy of "SCOPE Meritorious Award for Corporate Governance" for the year 2011-12.

2. BOARD OF DIRECTORS

(a) Composition of Board of Directors

The Board of IndianOil comprising optimum combination of Executive (Whole-time) and Non-Executive (Part-time) Directors. Independent Directors are persons with proven record in diverse areas like energy, law, academics, finance, economics, marketing, administration, etc.. Non-executive (part-time) directors includes Government nominee Directors.

The Board of IndianOil had 10 Independent Directors i.e. 50% of the board strength till 23.01.2013. However, during the period 24.01.2013 to 31.03.2013 the board strength fell below 50% with 4 Independent Directors relinquishing their directorship consequent upon completion of their tenure and 1 Independent Director resigning from the Board.

As on 31.03.2013, the strength of the Board of Directors was 15 comprising of 8 Executive (Whole-time Functional) Directors (including Chairman) and 7 Part-time Non-Executive Directors, out of which 5 are Independent Directors and 2 are Govt. Nominee Directors. Thus, IndianOil has not been able to comply with the requirement of 50% Independent Directors on its Board w.e.f. 24.01.2013. 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 is pursuing with the Govt. of India to induct requisite number of Independent Directors as required under clause 49 of the Listing Agreement as well as Department of Public Enterprises (DPE) guidelines on Corporate Governance.

The composition of the Board of Directors as on 31.03.2013 is given below:-

Sl. No.	Name	Category
1.	Shri R. S. Butola	Chairman
2.	Dr. R. K. Malhotra	Director (Research & Development)
3.	Shri Sudhir Bhalla	Director (Human Resources)
4.	Shri A. M. K. Sinha	Director (Planning & Business Development)
5.	Shri P. K. Goyal	Director (Finance)
6.	Shri Rajkumar Ghosh	Director (Refineries)
7.	Shri M. Nene	Director (Marketing)
8.	Shri V. S. Okhde	Director (Pipelines)
9.	Shri Sudhir Bhargava	Government Nominee Director
10.	Dr. S. C. Khuntia	Government Nominee Director
11.	Dr. Sudhakar Rao	Independent Director
12.	Prof. (Dr.). V. K. Bhalla	Independent Director
13.	Smt. Shyamala Gopinath	Independent Director
14.	Shri Shyam Saran	Independent Director
15.	Prof. Devang Khakhar	Independent Director

(b) Board Meetings

The Board of Directors oversees the overall functioning of the Company and has set strategic goals in order to achieve its Vision 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 meetings of the Board of Directors are generally held once in a month. During the financial year 2012-13, eleven Board Meetings were held. 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 agenda papers are circulated to the Directors well in advance before the meeting. However, certain exigent proposals 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.
- Constitution of Board committees with terms of reference.
- 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.
- Safety / Security related matters
- General notices / matters of interest of Directors.
- Periodic reports to the Board on :-
  - Treasury Operations
  - Project status
  - Risk Management
  - Secretarial reports
  - Compliance of laws
  - Disciplinary cases
  - Action Taken Report (ATR) on decisions of the Board
  - Foreign tour report of Wholetime Functional Directors / officials of the Company.

The Board Minutes are prepared within a day of the Board Meeting and endeavour is made to obtain the clearance of the Wholetime Functional Directors and approval of the Chairman at the earliest. Thereafter the minutes are circulated to the concerned department / group for implementation. ATR on the decision of the Board is obtained and submitted to the Board periodically.

Details of the Board Meetings held during the year 2012-13 are as under:-

Sl. No.	Date	Board Strength	No. of Directors Present
1.	23-04-2012	19	17
2.	28-05-2012	19	14
3.	04-07-2012	19	16
4.	09-08-2012	20	17
5.	14-09-2012	21	17
6.	19-10-2012	20	17
7.	09-11-2012	20	14
8.	17-12-2012	20	15
9.	23-01-2013	20	15
10.	13-02-2013	19	15
11.	20-03-2013	15	12

(c) **Attendance of each Director at Board Meetings held during 2012-13, 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 11 meetings held	Attendance at the AGM on 14.09.2012 (Yes/No)	No. of Directorship in other companies as on 31.03.2013	Membership of committees in other companies as on 31.03.2013	Chairmanship of committees in other companies as on 31.03.2013
Whole-time Functional Directors					
Shri R. S. Butola, Chairman	11	Yes	2	-	-
Dr. R. K. Malhotra Director (Research & Development)	11	Yes	2	-	-
Shri Sudhir Bhalla[1] Director (Human Resources)	-	-	-	-	-
Shri A. M. K. Sinha Director (Planning & Business Development)	11	Yes	2	2	-
Shri P. K. Goyal Director (Finance)	9	Yes	1	-	-
Shri Rajkumar Ghosh Director (Refineries)	11	Yes	2	-	-
Shri M. Nene Director (Marketing)	11	Yes	4	-	-
Shri V. S. Okhde Director (Pipelines)	11	Yes	2	-	-
Part-time Non-Executive Directors (Govt. nominees)					
Shri Sudhir Bhargava	7	No	1	-	-
Dr. S. C. Khuntia [2]	8	Yes	2	-	-
Part-time Non-Executive Independent Directors					
Dr. Sudhakar Rao	8	Yes	6	4	-
Prof. (Dr.) V. K. Bhalla	11	Yes	1	2	-
Smt. Shyamala Gopinath	7	No	5	-	1
Shri Shyam Saran	6	No	2	-	-
Prof. Devang Khakhar [3]	2	NA	-	-	-
Shri Anees Noorani [4]	3	No	10	1	-
Smt. Sushama Nath [5]	9	Yes	1 *	-	-
Dr. (Smt.) Indu Shahani [6]	6	Yes	4 *	1	-
Prof. Gautam Barua [7]	8	Yes	3 *	-	-
Shri Michael Bastian [8]	9	Yes	4 *	3	2
Shri N. K. Poddar [9]	10	Yes	- *	-	-

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

Remarks:

1. Shri Sudhir Bhalla, Director(HR), has been under serious medical condition since February 2012 and therefore could not attend any of the Board meetings during the year and the Annual General Meeting. Under the circumstances Shri P. K. Goyal, Director(F) was given the addtional charge of Director(HR) from 21.02.2012 to 20.09.2012. Thereafter Shri R. S. Butola, Chairman has been holding additional charge of Director(HR).
2. Dr. S. C. Khuntia was inducted on the Board w.e.f. 09.08.2012
3. Prof. Devang Khakhar was inducted on the Board w.e.f. 14.09.2012 (afternoon)
4. Shri Anees Noorani ceased to be Director w.e.f. 15.09.2012
5. Smt. Sushama Nath ceased to be Director w.e.f. 24.01.2013
6. Dr. (Smt.) Indu Shahani ceased to be Director w.e.f. 14.02.2013
7. Prof. Gautam Barua ceased to be Director w.e.f. 14.02.2013
8. Shri Michael Bastian ceased to be Director w.e.f. 14.02.2013
9. Shri N. K. Poddar ceased to be Director w.e.f. 14.02.2013

None of the Directors on the Board is a member of 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 appointed / 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”. 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 31.03.2013 except Shri Sudhir Bhalla, Director (HR), who is in serious medical condition since February 2012.

3. 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 was reconstituted on 23.04.2012 with the induction of Prof. V. K. Bhalla and Smt. Shyamala Gopinath, Independent Directors, as members of the Committee in place of Prof. Gautam Barua and Dr. Sudhakar Rao, Independent Directors. Upon completion of tenure of Shri Michael Bastian and Shri N. K. Poddar as Independent Directors, the Audit Committee was reconstituted again on 20.03.2013 to include Dr. Sudhakar Rao, Independent Director, as a member. The Audit Committee comprising the following three Independent Directors as on 31.03.2013:

(1) Smt. Shyamala Gopinath - Independent Director (Chairperson)

(2) Prof. V. K. Bhalla - Independent Director

(3) Dr. Sudhakar Rao - Independent Director

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 Parliamentary Committee on Public Undertaking (CoPU).
- Review of Cost Audit Report.

The attendance at the five meetings of the Audit Committee held during the year 2012-13 is given below:-

Date	Shri Michael Bastian (Chairman)	Shri N.K. Poddar (Member)	Smt. Shyamala Gopinath (Member)	Prof. V.K. Bhalla (Member)
30-04-2012	Yes	Yes	Yes	Yes
27-05-2012	Yes	Yes	Yes	Yes
08-08-2012	Yes	Yes	No	Yes
08-11-2012	No	Yes	No	Yes
12-02-2013	Yes	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 are also invited to the Audit Committee meetings while considering the quarterly / annual financial statements and discussion on nature & scope of Annual Audit. The Cost Auditors are invited when the Cost Audit Reports are considered by 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 for information. The ATR on decisions of the Audit Committee are also submitted to the Committee as a follow up action.

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.

4. **REMUNERATION COMMITTEE**

IndianOil being a Government Company, the remuneration of the whole-time Functional Directors is decided by the Government of India. The Independent Directors are not paid any remuneration except sitting fees of ₹ 20,000/- for attending each meeting 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 as well as to approve performance related pay to the executives of the Company. The Remuneration Committee was reconstituted effective 24.04.2012 with the induction of Smt. Sushama Nath and Prof. V. K. Bhalla, both Independent Directors, in place of Prof. (Dr.) Indira J. Parikh and Shri Anees Noorani. The Committee was reconstituted again on 17.12.2012 to induct Prof. Devang Khakhar, Independent Director, as a member in place of Prof. V. K. Bhalla, Independent Director. Upon resignation of Smt. Sushama Nath, the Committee was further reconstituted on 20.03.2013 to induct Smt. Shyamala Gopinath and Shri Shyam Saran, both Independent Directors, as Chairperson and Member respectively in place of Smt. Sushama Nath and Shri Michael Bastian. The Committee comprised of the following Directors as on 31.03.2013:

1. Smt. Shyamala Gopinath - Independent Director (Chairperson)
2. Shri Shyam Saran - Independent Director
3. Prof. Devang Khakhar - Independent Director
4. Director (Human Resources)
5. Director (Finance)

The attendance at one meeting of the Remuneration Committee held during 2012-13 is given below:

Name of Director	Designation	Attendance at meeting held on 31-12-2012
Smt. Sushama Nath [1]	Chairperson	Yes
Shri Michael Bastian	Member	Yes
Shri Devang Khakhar	Member	No
Shri R. S. Butola [2]	Member	Yes
Shri P. K. Goyal	Member	Yes

Remarks:

1. Smt. Sushama Nath ceased to be Director w.e.f. 24.01.2013.
2. Shri R. S. Butola attended the meeting as Director (HR).

Remuneration paid to whole-time Functional Directors during the financial year 2012-13 is as under:-

(₹ in crore)

Name of the Director	Designation	Salaries & Allowances	Contribution to PF & other Funds	Other Benefits & Perquisites	Total remuneration
Shri R. S. Butola	Chairman	0.41	0.05	0.08	0.54
Dr. R. K. Malhotra	Director (Research & Development)	0.40	0.05	0.09	0.54
Shri Sudhir Bhalla	Director (Human Resources)	0.32	0.04	1.01	1.37
Shri A. M. K. Sinha	Director (Planning & Business Development)	0.31	0.04	0.11	0.46
Shri P. K. Goyal	Director (Finance)	0.33	0.04	0.09	0.46
Shri Rajkumar Ghosh	Director (Refineries)	0.29	0.04	0.08	0.41
Shri M. Nene	Director (Marketing)	0.33	0.04	0.07	0.44
Shri V. S. Okhde	Director (Pipelines)	0.25	0.03	0.06	0.34
	TOTAL	**2.64**	**0.33**	**1.59**	**4.56**

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 3 months notice period or salary in lieu thereof for severance of service.
4. The remuneration does not include the provision made on actuarial valuation of retirement benefit schemes and provision made during the year towards post retirement benefits as the same is not separately ascertainable for individual directors.

The sitting Fees paid to Independent Directors during the financial year 2012-13 is as under:-

Name of the Director	Sitting Fees (₹ Lakhs)
Shri Anees Noorani	0.80
Dr. (Smt.) Indu Shahani	2.00
Prof. Gautam Barua	3.20
Shri Michael Bastian	4.20
Shri N. K. Poddar	3.20
Dr. Sudhakar Rao	2.80
Prof. (Dr.) V. K. Bhalla	4.00
Smt. Shyamala Gopinath	2.40
Smt. Sushama Nath	3.00
Shri Shyam Saran	2.00
Prof. Devang Khakhar	0.40
TOTAL	**28.00**

Notes:

1. None of the Independent Directors was holding any shares of Company as on 31st March 2013.
2. There were no other materially significant pecuniary relationships or transactions of the Independent Directors vis-à-vis the Company.

Shareholding of Directors as on 31.03.2013

The following Directors are holding shares of IndianOil as on 31.03.2013 as per disclosure made by them:

Name	Designation	No. of shares
Dr. R. K. Malhotra	Director (R&D)	3600
Shri Sudhir Bhalla	Director (Human Resources)	3620
Shri A. M. K. Sinha	Director (P&BD)	2400
Shri P. K. Goyal	Director (Finance)	800
Shri Rajkumar Ghosh	Director (Refineries)	3000
Shri V. S. Okhde	Director (Pipelines)	2400

5. SHAREHOLDERS' / INVESTORS GRIEVANCE COMMITTEE

The Shareholders' / Investors Grievance Committee (SIGC) examines the grievances of shareholders / investors and the system of redressal of the same. It also approves issuance of share certificates. The Company accords top priority to resolve complaints / grievances / queries of shareholders within a reasonable period of time. The SIGC was reconstituted on 17.12.2012 with the induction of Smt. Shyamala Gopinath, Independent Director in place of Shri Anees Noorani, Independent Director. The Committee was reconstituted again on 20.03.2013 to include Prof. V. K. Bhalla, Independent Director as Chairman in place of Dr. (Smt.) Indu Shahani, Independent Director.

The Committee comprised of the following four members as on 31.03.2013:

1. Prof. V. K. Bhalla - Independent Director (Chairman)
2. Smt. Shyamala Gopinath - Independent Director
3. Director (Human Resources)
4. Director (Finance)

The attendance at one meeting of SIGC held during the year 2012-13 is given below:-

Sl. No.	Name of the Director	Designation	Attendance at Meeting held on 12.02.2013
1.	Smt. Shyamala Gopinath	Chairperson	Yes
2.	Dr. (Smt.) Indu Shahani	Member	No
3.	Director (Human Resources)	Member	No
4.	Director (Finance)	Member	Yes

The Company Secretary is the Compliance Officer.

Details of complaints received and redressed during the financial year 2012-13:-

During the year 1710 complaints were received and all have been settled. As on 31st March 2013, no complaints were pending. Further, during the year, 1192 requests for change of address, recording of nomination, issue of duplicate share certificates / dividend warrant, etc. were received, out of which 39 requests were pending as on 31.03.2013, which were subsequently dealt with.

6. OTHER COMMITTEES OF THE BOARD

In addition to the above statutory committees, the Board has delegated certain powers to various committees with distinct roles and responsibilities. The composition of various such committees as on 31.03.2013 is as under:

Sl. No.	Name of Committee	Role and Responsibilities	Members
1.	**Project Evaluation Committee**	To appraise projects costing ₹ 250 crore and above before the Projects are submitted to the Board for approval.	Three Independent Directors, one Government Director, and Director (Finance). The committee is headed by Government Director.
2.	**Corporate Social Responsibility (CSR) & Sustainable Development Committee**	To recommend, monitor and administer activities under CSR, Sustainable Development Plan, SD Policy and to oversee its performance / implementation.	Three Independent Directors, One Government Director & Director (Human Resources), Director (Finance), Director (Marketing) & Director (Planning & Business Development). The committee is headed by an Independent Director.
3.	**Health, Safety & Environment Committee**	To review compliance of safety systems, procedures, rules & regulations on safety, occupational health and environment protection and to review the safety audit in various Divisions.	Three Independent Directors, Director (Marketing), Director (Refineries), Director (Pipelines). The committee is headed by an Independent Director.
4.	**Marketing Strategies Committee**	To evolve the strategies, policies, guidelines and take decisions on all matters relating to marketing activities of the Corporation including revival of dealerships / distributorships.	Two Independent Directors, Director (Finance), Director (Marketing) and Director (Planning & Business Development). The committee is headed by an Independent Director.
5.	**Establishment Committee**	To create and sanction posts as well as to consider promotions for Executives in Grade 'H' (General Manager) and above.	Chairman and all Whole-time Functional Directors, one Government Director and two Independent Directors. The committee is headed by the Chairman of the Company.
6.	**Deleasing of Immoveable Properties Committee**	To consider Deleasing of Company leased flats/ accommodation / immoveable properties.	Chairman, Director (Human Resources), Director (Finance), Director (Marketing) and one Government Director. The committee is headed by the Chairman of the Company.
7.	**Contracts Committee**	To approve contracts beyond certain limits as provided in the DoA of the Corporation.	Chairman and all Wholetime Functional Directors. The committee is headed by the Chairman of the Company.
8.	**Planning & Projects Committee**	To consider and approve all Project Proposals upto ₹ 100 crore.	Chairman and all Wholetime Functional Directors. The committee is headed by the Chairman of the Company.
9.	**Oil Price Risk Management Committee**	To approve the derivative transactions above USD 50 million on 'mark to market' basis.	Chairman, Director (Finance) and Director (Refineries). The committee is headed by the Chairman of the Company.
10.	**Spot LNG Purchase Committee**	- To approve execution of Master Sales & Purchase Agreement (MSPA) with suppliers on bilateral basis - To approve deviation to standard MSPA - To review & approve LNG price formula / gas pricing / SPA terms - To approve bids for purchase of LNG - Accept offer on single tender basis from domestic R-LNG suppliers	Director (Planning & Business Development), Director (Finance) and Director (Refineries). The committee is headed by Director (Planning & Business Development)
11.	**LNG Sourcing Committee**	To review the terms & conditions of LNG sales & Purchase Agreement and recommend the same to Board for approval for purchase of LNG on long term basis.	Chairman, Director (Planning & Business Development), Director (Finance), Director (Refineries) and one Government Director. The committee is headed by the Chairman of the Company.

7. 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:-

	2009-10	2010-11	2011-12
Date & Time	21.09.2010 10:30 A.M.	27.09.2011 10:30 A.M.	14.09.2012 10:30 A.M.
Venue	Nehru Centre Auditorium, Discovery of India Building, Worli, Mumbai-400 018	Nehru Centre Auditorium, Discovery of India Building, Worli, Mumbai-400 018	Nehru Centre Auditorium, Discovery of India Building, Worli, Mumbai-400 018
No. of Special Resolutions Passed	Nil	Nil	Nil

No Extraordinary General Meeting of the Members was held during the year 2012-13.

8. POSTAL BALLOT

No approval of shareholders was sought by means of postal ballot during 2012-13.

9. DISCLOSURES

a. Materially significant related party transactions

The Company has not entered into any materially significant related party transactions with the Directors or the Senior 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 2013.

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 Chairman of the Audit Committee, as the case may be. Any such complaint is reviewed by the Competent Authority or Chairman of the 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 except in respect of composition of the Board of Directors with regard to 50% independent Directors w.e.f. 24.01.2013. IndianOil, being a Government Company, is pursuing with the Government of India to induct requisite number of Independent Directors.

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

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

The newly appointed 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. The directors are also nominated for training programs / seminars conducted by SCOPE and other government authorities.

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.

g. Integrity Pact

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

Under the MoU, IndianOil is committed to implement the Integrity Pact in all its major procurement and work contract activities. Three Independent External Monitors (IEM), being persons of eminence, are nominated by TII in consultation with the Central Vigilance Commission (CVC) to monitor the activities.

IP envisages a voluntary agreement between the Buyer and the Seller committing both not to resort to corrupt practices in any aspect/stage of the Tender/ Contract. All tenders of the threshold value of ₹ 10 Crore and above are covered under the IP. So far 48 IEM meetings have been held since inception of the IP in IndianOil and 975 tenders of the value of ₹ 10 Crore and above have been covered. 29 complaints have been received which were referred to the IEMs. These complaints have been jointly deliberated by the full panel of IEMs and corrective action in line with the tender conditions have been taken by the concerned Functional Groups / Divisions, under intimation to IEMs.

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. Guidelines on Corporate Governance by DPE

IndianOil is complying with all the requirements of the DPE Guidelines on Corporate Governance except in respect of composition of the Board of Directors with regard to 50% independent Directors w.e.f. 24.01.2013. IndianOil, being a Government Company, is pursuing with the Government of India to induct requisite number of Independent Directors.

The details of compliance with the Presidential Directives have been provided in the Directors' Report.

No items of expenditure have been debited in books of accounts, which are not for the purpose of business. No expenses, which are of personal nature, have been incurred for the Board of Directors and top management.

The administrative & office expenses were 1.21% of total expenses during 2012-13 as against 1.75% during the previous year.

10. MEANS OF COMMUNICATION

a. Financial Results

The quarterly unaudited financial results / audited financial results of the Company are announced within the time limits prescribed by the listing agreement. The results are published in leading newspaper like The Times of India and Maharashtra Times (Marathi Newspaper). The financial results are also hosted on company's website **www.iocl.com.** The Company issues news releases on significant corporate decisions / activities and posts them on its website as well as notifies stock exchange as and when deemed necessary.

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 as well as published in the newspapers 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.in**. M/s Karvy Computershare Pvt. Ltd., Registrar & Transfer Agent, have offices across the country, wherefrom the queries / grievances of the investors are also addressed.

g. Green initiative – reaching important communication to shareholders through email

In terms of the Green initiative launched by the Ministry of Corporate Affairs, to allow service of documents to the members through electronic mode, IndianOil would send the copy of the Annual Report for the year 2012-13 alongwith the notice convening the Annual General Meeting through email to those shareholders who have registered their email id with the DP's / R&T agents and have not opted for physical copy of the Annual report.

11. GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting:

Date, Time & Venue of the Annual General Meeting	Tuesday, 3rd September 2013 at 1030 hrs at Nehru Centre Auditorium Discovery of India Building, Worli, Mumbai - 400 018.

(b) Financial Calendar for 2013-14 to approve quarterly / annual financial results:

Quarter ending 30th June 2013	On or before 14.08.2013
Quarter ending 30th September 2013	On or before 14.11.2013
Quarter ending 31st December 2013	On or before 14.02.2014
Quarter and year ending 31st March 2014	On or before 30.05.2014

(c) Book Closure Dates for Dividend:

Book Closure for Dividend	26.08.2013 to 03.09.2013, inclusive of both days.

(d) Dividend Payment Date:

A dividend of ₹ 6.20 per share (62%), 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 after the AGM as provided under the Companies Act.

(e) Listing on Stock Exchanges:

The shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited.

The debt securities issued by the Company are listed on the Wholesale Debt Market (WDM) segment of NSE & the Indian Corporate Debt Market (ICDM) segment of BSE.

The Company has paid Listing fees in respect of its shares as well as debt securities to both the stock 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**.

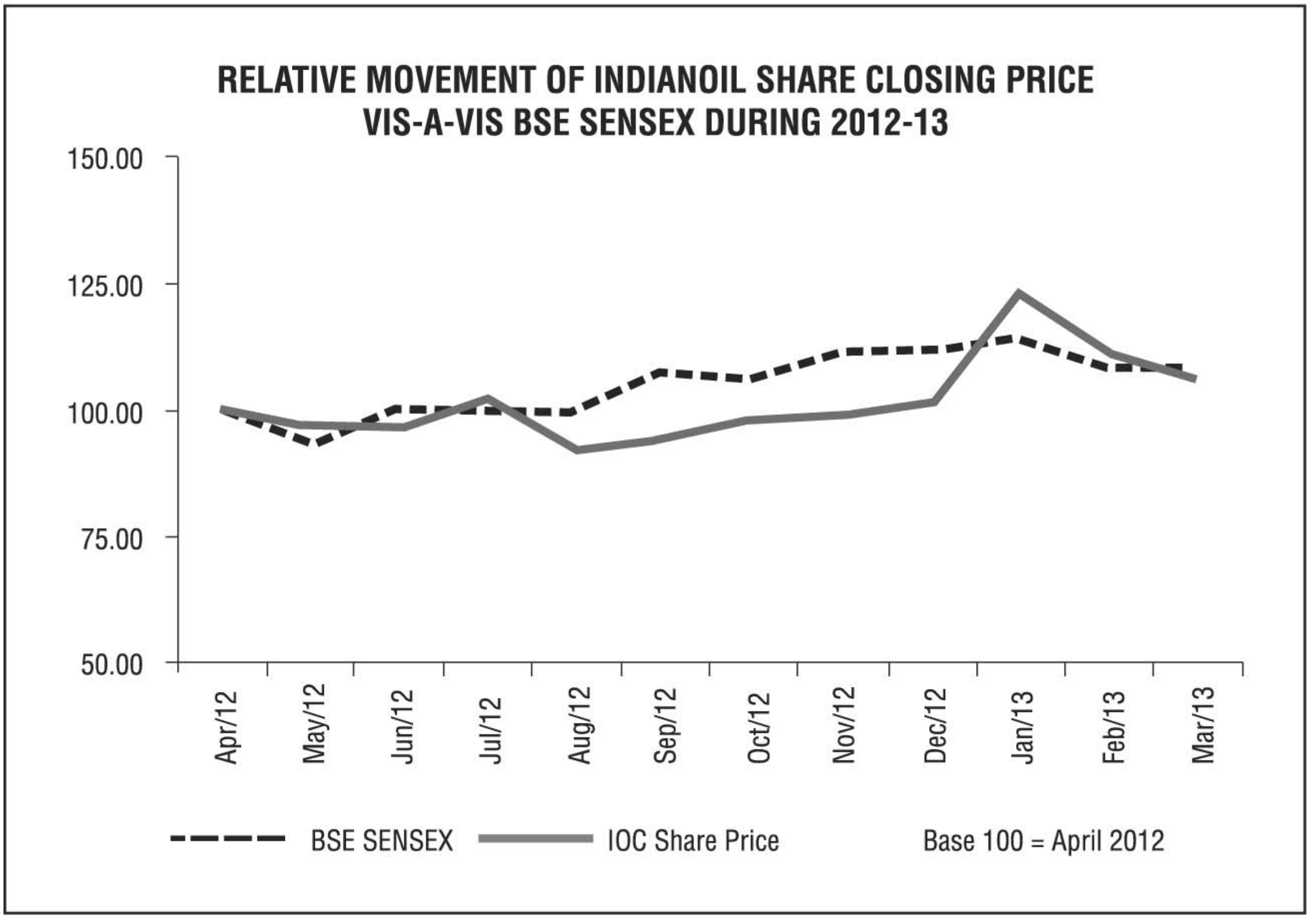
(g) Stock Code at BSE	:	**530965**
(h) Stock Code at NSE	:	**IOC**
(i) Demat ISIN Number at NSDL / CDSL	:	**INE 242A01010**

(j) Stock Market Data:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April 2012	268.25	248.50	11,42,408	268.70	248.20	68,78,968
May 2012	285.95	250.00	16,81,858	289.90	235.35	1,05,92,854
June 2012	268.90	239.00	17,97,188	268.70	239.60	1,23,48,928
July 2012	276.55	252.60	8,09,131	276.15	252.65	78,58,438
August 2012	271.60	240.00	7,67,147	271.70	242.10	73,55,447
September 2012	269.90	240.05	11,06,612	268.00	238.20	90,52,422
October 2012	266.15	250.60	7,55,543	270.00	250.60	82,68,365
November 2012	268.00	254.10	5,13,925	295.00	254.40	66,90,725
December 2012	272.00	256.10	9,44,450	271.80	256.55	69,49,698
January 2013	375.00	265.15	71,46,777	374.00	264.70	4,20,93,605
February 2013	341.25	289.50	24,57,917	341.45	288.60	1,95,33,555
March 2013	318.95	270.10	14,68,850	320.05	269.95	1,10,83,446
12 month High / Low	**375.00**	**239.00**		**374.00**	**247.55**	

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

The relative comparison of monthly closing share price of IndianOil with monthly closing BSE Sensex during 2012-13 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) 44655000
Fax No.	:	(040) 44655024
E-mail Address	:	einward.ris@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 the stipulated period from the date of lodgement subject to documents being valid and complete in all respects. There were no overdue share transfers pending as on 31.03.2013. 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.”.

(n) **Distribution of shareholding as on 31st March 2013:**

Sl. No.	Nominal Value Equity Shares (₹)			No. of Shareholders (Folios)	% of Shareholders	Amount (₹)	% of Amount
1.	1	-	5000	1,68,072	86.70	12,84,52,800	0.53
2.	5001	-	10000	7,404	3.82	5,53,12,350	0.23
3.	10001	-	20000	6,571	3.39	9,94,31,040	0.41
4.	20001	-	30000	3,836	1.98	9,78,45,370	0.40
5.	30001	-	40000	6,961	3.59	24,87,64,270	1.02
6.	40001	-	50000	346	0.18	1,55,28,170	0.06
7.	50001	-	100000	320	0.17	2,14,84,270	0.09
8.	100001	&	Above	344	0.18	2361,27,06,550	97.25
			Total	**1,93,854**	**100.00**	**2427,95,24,820**	**100.00**

(o) **Categories of Shareowners as on 31st March 2013**

Sl. No.	Category	Shareholders (Folios) No.	Shareholders (Folios) %	Shares No.	Shares %
1.	President of India	1	0.00	191,61,55,710	78.92
2.	Governor of Gujarat	1	0.00	27,00,000	0.11
3.	Government Company (ONGC Ltd.)	1	0.00	21,29,06,190	8.77
4.	Corporate Bodies	1,780	0.92	1,27,40,569	0.52
5.	FIIs/NRI	2,406	1.24	4,72,18,662	1.94
6.	Banks	59	0.03	82,26,283	0.34
7.	Mutual Funds	47	0.02	1,63,23,705	0.67
8.	Insurance Companies	9	0.01	8,46,58,441	3.49
9.	Public	1,89,367	97.69	6,81,35,638	2.81
10.	Trusts	47	0.02	5,87,44,434	2.42
11.	Others	136	0.07	1,42,850	0.01
	Total	**193854**	**100.00**	**242,79,52,482**	**100.00**

(p) **Top 10 shareholders as on 31st March 2013:**

Sl. No.	Name	No. of Shares	% to Equity
1.	President Of India	191,61,55,710	78.92%
2.	Oil And Natural Gas Corporation Limited	21,29,06,190	8.77%
3.	Life Insurance Corporation Of India	6,95,44,401	2.86%
4.	IOC Shares Trust	5,82,79,614	2.40%
5.	Government Pension Fund Global	81,00,713	0.33%
6.	General Insurance Corporation Of India	70,56,495	0.29%
7.	Vanguard Emerging Markets Stock Index Fund	64,62,715	0.27%
8.	HDFC Trustee Company Limited - HDFC Equity Fund	54,41,990	0.22%
9.	ICICI Prudential Life Insurance Company Ltd	30,03,702	0.12%
10.	LIC Of India Market Plus 1 Growth Fund	29,24,070	0.12%

(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 31st March 2013 is as under:-

Type of Shareholding	Shareholders (Folios)		Shareholding	
	No.	%	No.	%
Physical	8816	4.55	13449127	0.55
Demat	185038	95.45	2414503355	99.45
TOTAL	**193854**	**100.00**	**2427952482**	**100.00**

(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%	-
2008-09	75%	-
2009-10	130%	-
2010-11	95%	-
2011-12	50%	-

ii) Bonus issue since listing of the shares:-

Financial Year	Ratio
1999-2000	1:1
2003-2004	1:2
2009-2010	1:1

(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) established 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 informed 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. (both subsidiaries since merged with IndianOil) which remains unpaid as on 31.03.2013 are given below:-

Name	Year	Unpaid Dividend Amount (₹)
Indian Oil Corporation Ltd.	2005-06 to 2011-12	8,65,56,515
IBP Co. Ltd. (merged w.e.f. 02.05.07)	2005-06	4,17,960
Bongaigaon Refinery & Petrochemicals Ltd. (merged w.e.f. 25.03.2009)	2005-06 to 2007-08	57,20,218

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.

The Ministry of Corporate Affairs (MCA) had notified the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies), Rules, 2012, in May 2012 by which every company is required to file information of all unclaimed and unpaid amount, as referred to under section 205C(2) of the Companies Act, within 90 days after holding of the AGM, in prescribed form 5 INV. Thereafter, a detailed investor-wise information is required to be uploaded on the IEPF website as well as the website of the company. The information is required to be filed for the financial year 2010-11 onwards.

In line with the said rules, IndianOil has filed the information for the financial year 2010-11 as well as 2011-12 in the prescribed form / format with the MCA/ IEPF website and also hosted it on IndianOil's website **www.iocl.com**.

(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.in**

IndianOil Retail Outlet, Diu

COMPLIANCE CERTIFICATE

To the Members of Indian Oil Corporation Ltd.

We have examined the compliance of conditions of Corporate Governance by Indian Oil Corporation Limited for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges in India and the guidelines on Corporate Governance for Central Public Sector Enterprises, as enunciated by the Department of Public Enterprises (DPE).

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination, as carried out in accordance with the Guidance Note on Corporate Governance issued by the Institute of Chartered Accountants of India, 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 Listing Agreement as well as the DPE guidelines *except for the number of Independent Directors on the Board, which was less than half of the total strength of Board during the period 24.01.2013 to 31.03.2013, as required under the Listing Agreement and the DPE Guidelines.*

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 B M Chatrath & Co.	**For Dass Gupta & Associates**	**For Parakh & Co.**
Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 301011E)	(Firm Regn. No. 000112N)	(Firm Regn. No. 001475C)
Sd/-	Sd/-	Sd/-
(CA. P. R. Paul)	**(CA. Naresh Kumar)**	**(CA. Thalendra Sharma)**
Partner	Partner	Partner
M. No. 051675	M. No. 082069	M. No. 079236

Date : 19th June, 2013
Place : New Delhi

SECRETARIAL AUDIT REPORT

Indian Oil Corporation Limited
IndianOil Bhavan,
G- 9, Ali Yavar Jung Marg,
Bandra (East),
Mumbai - 400051
Maharashtra

We have examined the registers, records and documents of M/s. Indian Oil Corporation Limited ("The Company") for the Financial Year ended on 31st March, 2013 according to the provisions / clauses of:

A. The Companies Act,1956 and the rules made under that Act;

B. The Memorandum of Association and Articles of Association of the Company;

C. The Depositories Act, 1996 and the Regulations and Bye-laws framed under the Act;

D. The Equity Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited;

E. The Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011;

F. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

G. Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises;

(I) Based on the verification of records / documents produced to us, the information furnished to us by the Company and the test check carried out by us, we are of the opinion that the Company has complied with the provisions of the Companies Act, 1956 ("the Act") and Rules made under the Act and the Memorandum and Articles of Association of the Company with regard to:

1) maintenance of various statutory registers and documents and making necessary entries therein;

2) contracts, common seal, registered office and publication of name of the Company;

3) filing of the requisite forms and returns with the Registrar of Companies, Mumbai , Maharashtra and Central Government within the time prescribed under the Act and rules made there under;

4) service of documents by the Company on its Members, Auditors, Debenture holders and Debenture Trustees;

5) closure of Register of Members and Share Transfer Books of the Company from Friday, 7th September, 2012 to Friday, 14th September, 2012 (both days inclusive);

6) convening and holding of the meetings of Directors and Committees of Directors, including passing of the resolutions by circulation;

7) convening and holding of the 53rd Annual General Meeting of the Company on Friday, 14th September, 2012;

8) minutes of the proceedings of General Meeting, Board Meetings and Board Committees were properly recorded in loose leaf form, which are being bound in a book form at regular intervals;

9) appointment and remuneration of Auditors and Cost Auditors;

10) transfers and transmission of shares, issue / delivery of duplicate share certificates and dematerialisation / rematerialisation of shares;

11) composition and terms of reference of Audit Committee;

12) declaration and payment of dividend;

13) transfer of amounts due under the Act to the Investor Education and Protection Fund;

14) uploading of the details of unclaimed / unpaid dividend with the Ministry of Corporate Affairs (MCA) as well as on the website of the Company;

15) payment of interest and redemption proceeds on bonds (in nature of debentures);

16) investment of the Company's funds including inter-corporate loans and investments;

17) giving guarantees in connection with loans taken by subsidiaries and associate companies;

18) borrowings and registration, modification and satisfaction of charges, wherever applicable;

19) deposit of both the employees and employers contribution relating to Provident Fund with the Trusts created for the purpose;

20) form of Balance Sheet , statement of Profit & Loss and disclosures to be made therein as per the revised Schedule VI to the Act issued by the Ministry of Corporate Affairs (MCA) ;

21) all other applicable provisions of the Act and the Rules made there under that Act.

(II) We further state that;

1) The Directors have disclosed their interest and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities as and when required and their disclosures have been noted and recorded by the Board;

2) The Directors have complied with the disclosure requirements in respect of their eligibility of appointments, their being independent and compliance with the Code of Conduct for Directors and Senior Management Personnel;

3) The Company has obtained all necessary approvals under the various provisions of the Act; and

4) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act, SEBI Act, SCRA, Depositories Act, Listing Agreements and Rules, Regulation and Guidelines framed under these Acts against/ on the Company, its Directors and Officers.

(III) We further report that:

1) The Company has complied with the provisions of the Depositories Act, 1996 and the Bye-laws framed there under by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialization securities with all securities issued by the Company;

2) The Company has complied with all the mandatory requirements under the Listing Agreement executed with the BSE Limited and National Stock Exchange of India Limited except in respect of composition of Board of Directors with regard to 50% Independent Directors since 24th January 2013 as required under clause 49(I)(A) of the Listing Agreement;

3) The Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011 including the provisions with regard to disclosures and maintenance of records required under the regulation;

4) The Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 1992 including provisions with regards to disclosures and maintenance of records required under the regulation except non–receipt of periodic disclosure for the year, as required under the Insider Trading Code of Conduct for the year from Shri Sudhir Bhalla, Director (Human Resources), who has been under serious medical condition and is in comatose state since February 2012;

5) The Company has complied with the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises except that of Clause 3.1 pertaining to the Composition of Board of Directors regarding 50% Independent Directors on the Board of the Company since 24th January, 2013.

For **SHAH DHOLAKIA & ASSOCIATES**
(Company Secretaries)

Sd/-
(CS B. V. Dholakia)
Partner
C. P. No. 507

Place : Mumbai
Date : 5th June, 2013

Annual Accounts

AUDITOR'S REPORT TO THE MEMBERS OF INDIAN OIL CORPORATION LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Indian Oil Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004 ("the Order") 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 paragraph 4 and 5 of the said Order.

2. As required by section 227(3) of the Act, we report that:

   i. 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;

   ii. 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;

   iii. The Branch Auditors' Reports have been forwarded to us and have been appropriately dealt with while preparing our report;

   iv. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

   v. In our opinion, the Balance Sheet, Statement of Profit and Loss 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;

   vi. 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.

For B.M. CHATRATH & CO.	For DASS GUPTA & ASSOCIATES	For PARAKH & CO.
Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 301011E)	(Firm Regn. No. 000112N)	(Firm Regn. No.001475C)
Sd/-	Sd/-	Sd/-
(CA. P.R. Paul)	**(CA. Raaja Jindal)**	**(CA. Thalendra Sharma)**
Partner	Partner	Partner
M. No.051675	M. No. 504111	M. No. 079236

Place : New Delhi
Date : 30th May, 2013

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph 1 under "other legal and regulatory requirements" 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, other than LPG cylinders and pressure regulators, 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. In our opinion and 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 physical verification between physical stock and book records.

iii) The Company has not taken / granted any loans secured or 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 directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. In respect of orders passed by the court, the same have been complied with.

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, 2013 for more than six months from the date they became payable.

B) The details of dues of Sales Tax, Service Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty and Cess, which have not been deposited on account of any dispute are given in the Annexure to this report.

x) The Company neither has any accumulated losses as on 31st March, 2013, nor it has 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) In our opinion, in respect of the guarantee given by the company for the loans taken by others from a bank, the terms and conditions thereof are not, prima facie, prejudicial to the interest of the company.

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) On the basis of review of utilization of funds, which is based on overall examination of the balance sheet of the company, related information as made available to us and as represented to us by the management, funds raised on short-term basis have not been used for long-term investments.

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 bonds/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 of the books and records of the company in accordance with the generally accepted auditing practices in India, we have neither come across any material fraud on or by the Company noticed or reported during the year nor we have been informed of any such case by the management that causes the financial statements to be materially misstated.

For B.M. CHATRATH & CO.	**For DASS GUPTA & ASSOCIATES**	**For PARAKH & CO.**
Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 301011E)	(Firm Regn. No. 000112N)	(Firm Regn. No.001475C)
Sd/-	Sd/-	Sd/-
(CA. P.R. Paul)	**(CA. Raaja Jindal)**	**(CA. Thalendra Sharma)**
Partner	Partner	Partner
M. No.051675	M. No. 504111	M. No. 079236

Place : New Delhi
Date : 30th May, 2013

REPORTING AS PER COMPANIES (AUDITOR'S REPORT) ORDER 2003 (DISPUTED CASES)

SR NO.	NAME OF THE STATUTE/ NATURE OF DUES	FORUM WHERE DISPUTE IS PENDING	NET AMOUNT (₹ in Crore)	PERIOD TO WHICH THE AMOUNT RELATES (FINANCIAL YEARS)
1	**CENTRAL EXCISE**	High Court	56.82	2002 to 2013
		Tribunal	1,246.00	1980 to 2013
		Appellate Authority (Below Tribunal)	15.91	1993 to 2013
		Total	**1,318.73**	
2	**CUSTOMS DUTY**	Tribunal	84.87	1994 to 2013
		Appellate Authority (Below Tribunal)	1.49	2011 to 2013
		Total	**86.36**	
3	**SALES TAX/VAT/TURNOVER TAX**	Supreme Court	298.40	2002 to 2013
		High Court	873.86	1978 to 2013
		Tribunal	3,140.00	1979 to 2013
		Revisionary Authority	625.63	1993 to 2013
		Appellate Authority (Below Tribunal)	2,512.95	1981 to 2013
		Total	**7,450.84**	
4	**INCOME TAX**	Tribunal	0.42	2003 to 2013
		Appellate Authority (Below Tribunal)	4.58	2001 to 2013
		Total	**5.00**	
5	**SERVICE TAX**	Tribunal	93.81	2004 to 2013
		Appellate Authority (Below Tribunal)	2.91	2004 to 2013
		Total	**96.72**	
6	**ENTRY TAX**	Supreme Court	8,365.98	1991 to 2013
		High Court	486.09	2003 to 2013
		Tribunal	103.86	1999 to 2013
		Appellate Authority (Below Tribunal)	11.51	1997 to 2013
		Total	**8,967.44**	
7	**OTHERS (COMMERCIAL TAX/ ENTERTAINMENT TAX ETC.)**	Supreme Court	33.31	2008 to 2013
		High Court	0.06	2010 to 2013
		Tribunal	1.07	1998 to 2013
		Total	**34.44**	
		GRAND TOTAL	**17,959.53**	

BALANCE SHEET as at 31st March 2013

(₹ in Crore)

Note	Page	Particulars		March-13	March-12
		EQUITY AND LIABILITIES			
		(1) Shareholders' Funds			
2	99	(a) Share Capital	**2,427.95**		2,427.95
3	100	(b) Reserves and Surplus	**58,696.36**		55,448.75
				61,124.31	57,876.70
		(2) Non-current liabilities			
4	101	(a) Long-term borrowings	**21,414.20**		16,826.76
5	103	(b) Deferred tax liabilities (Net)	**5,512.66**		5,241.88
6	104	(c) Other Long-term liabilities	**11,435.18**		9,830.30
7	104	(d) Long-term provisions	**375.25**		258.18
				38,737.29	32,157.12
		(3) Current liabilities			
8	105	(a) Short-term borrowings	**56,911.00**		53,497.17
9	105	(b) Trade payables	**29,729.91**		27,520.75
6	104	(c) Other current liabilities	**19,852.08**		23,917.65
7	104	(d) Short-term provisions	**17,640.68**		14,890.36
				124,133.67	119,825.93
		TOTAL		**223,995.27**	209,859.75
		ASSETS			
		(4) Non-current assets			
		(a) Fixed Assets			
10	106	(i) Tangible assets	**59,823.45**		58,932.29
11	108	(ii) Intangible assets	**809.28**		914.51
12	108	(iii) Capital work-in-progress	**17,987.13**		13,415.36
13	109	(iv) Intangible assets under development	**285.99**		272.53
			78,905.85		73,534.69
14	110	(b) Non-current investments	**5,032.62**		4,918.01
15	114	(c) Long-term loans and advances	**11,744.37**		10,388.58
16	116	(d) Other non-current assets	**13.86**		17.01
				95,696.70	88,858.29

Contd...

(₹ in Crore)

Note	Page	Particulars		March-13	March-12
		(5) Current assets			
14	112	(a) Current investments	**13,638.60**		13,760.45
17	117	(b) Inventories	**59,314.39**		56,829.20
18	117	(c) Trade receivables	**11,254.78**		9,725.47
19	118	(d) Cash and Bank Balances	**503.29**		307.01
15	114	(e) Short-term loans and advances	**36,824.49**		32,525.10
16	116	(f) Other current assets	**6,763.02**		7,854.23
				128,298.57	121,001.46
		TOTAL		**223,995.27**	209,859.75
1	96	Significant Accounting Policies			
2-46	99	Notes on Financial Statement			

Sd/- **(R. S. Butola)** Chairman	Sd/- **(P. K. Goyal)** Director (Finance)	Sd/- **(Raju Ranganathan)** Company Secretary

As per our attached Report of even date

For B.M. CHATRATH & CO. Chartered Accountants (Firm Regn. No. 301011E)	**For DASS GUPTA & ASSOCIATES** Chartered Accountants (Firm Regn. No. 000112N)	**For PARAKH & CO.** Chartered Accountants (Firm Regn. No.001475C)
Sd/- **(CA. P.R. Paul)** Partner M. No. 051675	Sd/- **(CA. Raaja Jindal)** Partner M. No. 504111	Sd/- **(CA. Thalendra Sharma)** Partner M. No. 079236

Place : New Delhi
Date : 30th May, 2013

STATEMENT OF PROFIT AND LOSS for the Year Ended 31st March 2013

(₹ in Crore)

Note	Page	Particulars		March-13	March-12
		(1) Revenue:			
20	118	(a) Revenue from operations (Gross)	**470,650.59**		422,932.22
		Less: Excise Duty	**23,554.18**		24,455.59
		Revenue from operations (Net)		**447,096.41**	398,476.63
21	119	(b) Other Income		**3,514.79**	3,199.05
		Total Revenue		**450,611.20**	401,675.68
		(2) Expenses:			
22	120	(a) Cost of materials consumed		**219,744.05**	202,280.49
		(b) Purchase of Stock-in-Trade [Net of Duty Draw Back ₹ **21.96 crore** (2012: ₹ 146.08 crore)]		**188,182.20**	154,793.50
23	120	(c) Changes in Inventory		**(5,220.03)**	(2,852.13)
24	120	(d) Employee benefit expenses		**7,271.27**	4,976.96
25	121	(e) Finance cost		**6,409.15**	5,590.54
		(f) Depreciation and Amortisation on :			
		a) Tangible Assets	**5,056.25**		4 ,723.59
		b) Intangible Assets	**144.74**		144.20
				5,200.99	4,867.79
26	121	(g) Other Expenses		**23,382.07**	20,835.19
		Total Expenses		**444,969.70**	390,492.34
		(3) Profit before Prior Period, Exceptional Items and Tax		**5,641.50**	11,183.34
27	123	(4) Income / (Expenses) pertaining to Prior Years (Net)		**6.30**	278.79
		(5) Profit before Exceptional Items and Tax		**5,647.80**	11,462.13
		(6) Exceptional Items		**-**	(7,707.82)
		(7) Profit before Tax		**5,647.80**	3,754.31

Contd...

(₹ in Crore)

Note	Page	Particulars	March-13	March-12
		(8) Tax Expense:		
		Current Tax [includes ₹ **(25.71) crore** (2012 : ₹ (253.57) crore) relating to prior years]	**821.94**	894.40
		MAT Credit Entitlement	**(450.09)**	-
		Deferred Tax [includes ₹ **NIL** (2012 : ₹ 150.53 crore) relating to prior years]	**270.78**	(1,094.71)
		(9) Profit / (loss) for the year	**5,005.17**	3,954.62
33	134	**(10) Earning per Equity Share (₹):**		
		(1) Basic	**20.61**	16.29
		(2) Diluted	**20.61**	16.29
		Face Value Per Equity Share (₹)	**10**	10
1	96	Significant Accounting Policies		
2 - 46	99	Notes on Financial Statements		

Sd/-	Sd/-	Sd/-
(R. S. Butola)	**(P. K. Goyal)**	**(Raju Ranganathan)**
Chairman	Director (Finance)	Company Secretary

As per our attached Report of even date

For B.M. CHATRATH & CO.	**For DASS GUPTA & ASSOCIATES**	**For PARAKH & CO.**
Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 301011E)	(Firm Regn. No. 000112N)	(Firm Regn. No.001475C)
Sd/-	Sd/-	Sd/-
(CA. P.R. Paul)	**(CA. Raaja Jindal)**	**(CA. Thalendra Sharma)**
Partner	Partner	Partner
M. No. 051675	M. No. 504111	M. No. 079236

Place : New Delhi
Date : 30th May, 2013

CASH FLOW STATEMENT For the Year Ended 31st March 2013

(₹ in Crore)

		Particulars		March-13		March-12
A		**Cash Flow from Operating Activities**				
	1	Profit Before Tax		**5,647.80**		3,754.31
	2	Adjustments for :				
		Depreciation	**5,219.80**		4,542.40	
		Loss/(Profit) on sale of Assets (net)	**21.44**		4.41	
		Loss/(Profit) on sale of Investments (net)	**(28.01)**		19.24	
		Amortisation of Capital Grants	**(1.46)**		(1.19)	
		Amortisation of Premium on Forward Contracts	**15.49**		89.02	
		Provision for Probable Contingencies (net)	**413.73**		37.78	
		Provision for Loss on Investments (net)	**(634.15)**		418.15	
		Provision for Doubtful Debts, Advances, Claims and Obsolescence of Stores (net)	**16.06**		(271.71)	
		Provision for Dimunition in 'Receivable from trust' (net)	**(110.15)**		(513.21)	
		Provision for MTM loss on interest rate swap	**10.81**		110.26	
		Interest Income on Investments	**(1,118.85)**		(1,171.94)	
		Dividend Income on Investments	**(999.47)**		(858.63)	
		Interest Expenditure	**6,408.79**		5,596.11	
				9,214.03		8,000.69
	3	Operating Profit before Working Capital Changes (1+2)		**14,861.83**		11,755.00
	4	Change in Working Capital: (Excluding Cash & Bank Balances)				
		Trade & Other Receivables	**(4,030.30)**		(19,159.61)	
		Inventories	**(2,504.96)**		(7,561.57)	
		Trade and Other Payables	**4,262.62**		12,875.02	
		Change in Working Capital		**(2,272.64)**		(13,846.16)
	5	Cash Generated From Operations (3+4)		**12,589.19**		(2,091.16)
	6	Less : Taxes paid		**1,004.71**		668.61
	7	Net Cash Flow from Operating Activities (5-6)		**11,584.48**		(2,759.77)
B		**Cash Flow from Investing Activities:**				
		Sale/Transfer of Assets	**721.87**		1,391.52	
		Sale / Maturity of Investments	**782.27**		642.40	
		Interest Income on Investments	**1,128.40**		1,191.41	
		Dividend Income on Investments	**999.47**		858.63	
		Purchase of Assets	**(2,723.23)**		(2,781.59)	
		Investments in Subsidiaries	**(164.04)**		(96.46)	
		Investments in Long Term Investments / Others	**(60.83)**		(117.03)	
		Expenditure on Construction Work in Progress	**(9,022.20)**		(13,337.78)	
		Net Cash Generated/(Used) in Investing Activities:		**(8,338.29)**		(12,248.90)

Contd...

(₹ in Crore)

	Particulars	March-13		March-12	
C	**Net Cash Flow From Financing Activities:**				
	Proceeds from/(Repayments of) Long-Term Borrowings	**2,020.30**		3,251.08	
	Proceeds from/(Repayments of) Short-Term Borrowings	**3,426.90**		19,462.34	
	Interest paid	**(7,088.96)**		(6,026.67)	
	Dividend/Dividend Tax paid	**(1,408.15)**		(2,664.82)	
	Net Cash Generated/(Used) from Financing Activities:		**(3,049.91)**		14,021.93
D	**Net Change in Cash & Bank Balances** (A+B+C)		**196.28**		(986.74)
E	1 Cash & Bank Balances as at end of the year	**503.29**			307.01
	Add: Impact of Exchange variation taken to Reserves	**-**			0.67
			503.29		307.68
	Less:				
	2 Cash & Bank Balances as at the beginning of Period		**307.01**		1,294.42
	NET CHANGE IN CASH & BANK BALANCES (E 1-2)		**196.28**		(986.74)

Notes:

1.	Cash & Bank Balances as at end of the year	**503.29**	307.01
	Less: Other Bank Balances	**1.37**	0.69
	Cash and Cash Equivalents	**501.92**	306.32

2. Figures for previous periods have been regrouped wherever necessary for uniformity in presentation.

Sd/- **(R. S. Butola)** Chairman	Sd/- **(P. K. Goyal)** Director (Finance)	Sd/- **(Raju Ranganathan)** Company Secretary

As per our attached Report of even date

For B.M. CHATRATH & CO. Chartered Accountants (Firm Regn. No. 301011E)	**For DASS GUPTA & ASSOCIATES** Chartered Accountants (Firm Regn. No. 000112N)	**For PARAKH & CO.** Chartered Accountants (Firm Regn. No.001475C)
Sd/- **(CA. P.R. Paul)** Partner M. No. 051675	Sd/- **(CA. Raaja Jindal)** Partner M. No. 504111	Sd/- **(CA. Thalendra Sharma)** Partner M. No. 079236

Place : New Delhi
Date : 30th May, 2013

NOTE - 1: SIGNIFICANT ACCOUNTING POLICIES

(Page No. 91)

1. BASIS OF PREPARATION

1.1 The financial statements are prepared under historical cost convention in accordance with the mandatory accounting standards notified by the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956.

1.2 The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities as at the date of the financial statements. Management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from estimates.

2. FIXED ASSETS

2.1 Tangible Assets

2.1.1 Fixed Assets are stated at acquisition cost less accumulated depreciation / amortization and cumulative impairment.

2.1.2 Land acquired on perpetual lease as well as on lease for over 99 years is treated as free hold land.

2.1.3 Land acquired on lease for 99 years or less is treated as leasehold land.

2.1.4 Technical know-how / license fee relating to plants/facilities are capitalised as part of cost of the underlying asset.

2.2 Construction Period Expenses on Projects

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

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

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

2.3 Capital Stores

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

2.4 Depreciation/Amortisation

2.4.1 Cost of leasehold land for 99 years or less is amortised over the lease period.

2.4.2 Depreciation on fixed assets is provided in accordance with the rates as specified in Schedule XIV to The Companies Act, 1956, on straight line method, upto 95% of the cost of the asset other than Insurance spares which are depreciated upto 100%. Depreciation is charged pro-rata on quarterly basis on assets, from/upto the quarter of capitalisation/ sale, disposal/ dismantle or earmarking for disposal/dismantling during the year.

2.4.3 Assets, other than LPG Cylinders and Pressure Regulators, costing upto ₹ 5,000/- per item are depreciated fully in the year of capitalisation.

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

2.5 Impairment of Assets

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

(a) the provision for impairment loss, if any, required; or

(b) the reversal, if any, required of impairment loss recognized in previous periods.

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

3. INTANGIBLE ASSETS

3.1 Technical know-how / license fee relating to production process and process design are recognised as Intangible Assets and amortised on a straight line basis over a period of ten years or life of the underlying plant/ facility, whichever is earlier.

3.2 Expenditure incurred on Research & Development, other than on capital account, is charged to revenue.

3.3 Costs incurred on computer software purchased/developed resulting in future economic benefits, are capitalised as Intangible Asset and amortised over a period of three years beginning from the quarter in which such software is capitalised. However, where such computer software is still in development stage, costs incurred during the development stage of such software are accounted as “Intangible Assets Under Development”.

3.4 Cost of Right of Way for laying pipelines is capitalised and amortised on a straight line basis over the period of such Right of Way or 99 years whichever is less.

4. BORROWING COST

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

5. FOREIGN CURRENCY TRANSLATION

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

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

5.3 Non-monetary items denominated in foreign currency, (such as investments, fixed assets etc.) are valued at the exchange rate prevailing on the date of the transaction.

5.4.1 (a) Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items.

(b) Exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets in line with para 46A of Accounting Standard -11. 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 by recognition as income or expense in each of such periods.

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

6. INVESTMENTS

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

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

7. INVENTORIES

7.1 Raw Materials

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

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

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

7.2 Finished Products and Stock-in-Trade

7.2.1 Finished products and stock in trade, other than lubricants, are valued at cost determined on ‘First in First Out’ basis or net realizable value, whichever is lower. Cost of Finished Products produced is determined based on raw material cost and processing cost.

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

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

7.3 Stores and Spares

7.3.1 Stores and Spares (including Barrels & Tins) are valued at weighted average cost. Specific provision is made in respect of identified obsolete stores & spares and chemicals for likely diminution in value. Further, an adhoc provision @ 5% is also made on the balance stores and spares (excluding barrels, tins, stores in transit, chemicals, crude oil and own products) towards likely diminution in the value.

7.3.2 Stores & Spares in transit are valued at cost.

8. TRADE RECEIVABLES

In addition to the specific provision made, an Adhoc provision @ 1% is also made in respect of Trade Receivables, other than those relating to Oil Marketing companies, Subsidiary & Joint Venture companies, Export Customers, DGS&D group of customers (i.e. DGS&D, Railway, Army, Air Force and Defence) and Retail Outlets enjoying temporary credit to recognize the element of uncertainty.

9. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

9.1 Contingent Liabilities

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

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

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

a) 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 ₹ 5 lakhs, in each case, are considered for disclosure.

10. REVENUE RECOGNITION

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

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

10.3 Claims (including interest on outstandings) are accounted:

a) When there is certainty that the claims are realizable

b) Generally at cost

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

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

11. EXCISE DUTY

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

12. TAXES ON INCOME

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Deferred Tax Liability / Asset resulting from ‘timing difference’ between book and taxable profit is accounted for considering the tax rate and laws that have been enacted or substantively enacted as on the Balance Sheet date. Deferred Tax Asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

13. EMPLOYEES BENEFITS

13.1 Short Term Benefits:

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

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

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

b) The Company operates defined benefit plans for Gratuity and Post Retirement Medical Benefits. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year and are administered through respective Trusts. Actuarial gains/losses are charged to Statement of Profit and Loss.

c) Obligations on Compensated Absences, Resettlement and Long Service Awards are provided using the projected unit credit method of actuarial valuation made at the end of the year.

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

13.3 Termination Benefits:

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

14. GRANTS

14.1 Capital Grants

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

14.2 Revenue Grants

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

15. OIL & GAS EXPLORATION ACTIVITIES

15.1 The Company is following the "Successful Efforts Method" of accounting for Oil & Gas exploration and production activities as explained below:

a) Survey costs are expensed in the year of incurrence.

b) Acquisition cost, cost of incomplete / undecided exploratory wells and development costs are carried as capital work in progress till the time these are either transferred to producing properties on completion or expensed in the year when determined to be dry, as the case may be.

c) Expenditure towards unfinished Minimum Work Programme with and without extension of time is expensed in the year of incurrence.

15.2 Company's share of proved reserves of oil and gas aredisclosed when notified by the Operator of the relevant block.

15.3 The Company's proportionate share in the assets, liabilities, income and expenditure of joint venture operations are accounted as per the participating interest in such joint venture operations.

16. COMMODITY HEDGING

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

NOTE - 2: SHARE CAPITAL

[Item No. 1(a), Page No. 90]

(₹ in Crore)

Particulars	March-13	March-12
Authorised:		
600,00,00,000 Equity Shares of ₹ 10 each	**6,000.00**	6,000.00
Issued, Subscribed and Paid Up:		
2,42,79,52,482 (2012 : 2,42,79,52,482) Equity Shares of ₹ 10 each	2,427.95	2,427.95
TOTAL	**2,427.95**	2,427.95

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

a) Pursuant to the Petroleum Companies Amalgamation Order, 1964 : 3,76,49,700 Shares of ₹ 10 each.

b) Pursuant to Gujarat Refinery Project Undertaking (Transfer), (Amendment) Order, 1965 : 1,00,00,000 Shares of ₹ 10 each.

c) 2,43,62,106 no. of equity shares of ₹ 10 each issued in June 2007 as fully paid up to be shareholers of erstwhile IBP Co. Ltd as per the Scheme of amalgamation.

d) 2,16,01,935 no. of equity shares of ₹ 10 each issued in May 2009 as fully paid up to be shareholers of erstwhile BRPL as per the Scheme of amalgamation.

e) Aggregate shares allotted as fully paid up Bonus Shares by Capitalisation of General Reserve / Securities Premium: 2,28,02,71,241 Shares of ₹ 10 each, out of these 1,21,39,76,241 no. of equity shares of ₹ 10 each were issued during preceeding five years (in November 2009).

B. Reconciliation of No. of Equity Shares

	March-13	March-12
Opening Balance	**2,42,79,52,482**	2,42,79,52,482
Shares Issued	**-**	-
Shares bought back	**-**	-
Closing Balance	**2,42,79,52,482**	2,42,79,52,482

C. Terms/Rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10 each and is entitled to one vote per share. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

D. Details of shareholders holdings more than 5% shares

Name of Shareholder	March-13		March-12	
	Number of shares held	**Percentage of Holding**	Number of shares held	Percentage of Holding
PRESIDENT OF INDIA	**1,91,61,55,710**	**78.92**	1,91,61,55,710	78.92
OIL AND NATURAL GAS CORPORATION LIMITED	**21,29,06,190**	**8.77**	21,29,06,190	8.77

NOTE - 3: RESERVES AND SURPLUS

[Item No. 1(b), Page No. 90]

(₹ in Crore)

Particulars			March-13	March-12
Capital Reserve:				
As per last Account			**183.08**	183.08
General Reserve:				
As per last Account		**53,122.61**		51,222.92
Less : Transfer to Corporate Social Responsibility Reserve		**15.56**		-
Add: Appropriation from Profit and Loss		**500.52**		1,899.69
			53,607.57	53,122.61
Insurance Reserve :	A			
As per last Account		**104.40**		84.40
Less : Recoupment of uninsured fire loss		**0.30**		-
Add: Appropriation from Profit and Loss		**20.00**		20.00
			124.10	104.40
Export Profit Reserve	B		**53.72**	53.72
Capital Grants:				
As per last Account		**13.49**		14.65
Add: Received/ (Written Back) during the year		**5.06**		0.03
Less: Amortised during the year		**1.46**		1.19
			17.09	13.49
Bond Redemption Reserve :				
As per last Account		**1,971.45**		1,344.93
Add: Provision during the year		**1,228.00**		741.92
Less: Write-back of provision on redemption of bonds		**699.93**		115.40
			2,499.52	1,971.45
Corporate Social Responsibility Reserve:	C			
As per Last Account		-		-
Add: Transferred from General Reserve		**15.56**		-
Add: Appropriation from Profit and Loss		**100.89**		-
Less: Utilised during the year		**78.97**		-
			37.48	-
Balance of Profit and Loss:				
Profit for the Year			**5,005.17**	3,954.62
Less: Appropriations				
Final Dividend (Proposed)			**1,505.33**	1,213.98
Corporate Dividend Tax on:				
Final Dividend (Proposed)			**255.83**	194.43
Insurance Reserve (Net)			**19.70**	20.00
Bond Redemption Reserve (Net)			**528.07**	626.52
Corporate Social Responsibility Reserve (Net)			**21.92**	-
General Reserve			**500.52**	1,899.69
Balance carried forward to next year			**2,173.80**	-
Devaluation Exch. Difference Reserve:	D			
As per Last Account		-		0.67
Less: Exchange variation on revaluation		-		0.67
			-	-
TOTAL			**58,696.36**	55,448.75

A. Reserve is created to mitigate risk of loss of assets not insured with external insurance agencies.
B. Amount set aside out of profits from exports for availing income tax benefits.
C. Reserve is created for meeting expenses relating to CSR activities of the company.
D. Reserve created for devaluation of funds lying abroad.

NOTE - 4: LONG TERM BORROWINGS

[Item No. 2(a), Page No. 90]

(₹ in Crore)

Particulars		Long Term			Current Maturities		
			March-13	March-12		**March-13**	March-12
SECURED LOANS							
Bonds:							
Non-Convertible Redeemable Bonds-Series-VIIIB	A	**1,070.00**		1,070.00	**-**		-
Non-Convertible Redeemable Bonds-Series-XII	B	**1,295.00**		-	**-**		-
Non-Convertible Redeemable Bonds-Series-IX	C	**1,600.00**		1,600.00	**-**		-
Non-Convertible Redeemable Bonds-Series-VIIB	D	**500.00**		500.00	**-**		-
Non-Convertible Redeemable Bonds-Series-XI	E & I	**-**		1,415.00	**1,415.00**		-
Non-Convertible Redeemable Bonds-Series-X	F	**-**		-	**-**		2,000.00
Non-Convertible Redeemable Bonds-Series-VI	G	**-**		-	**-**		768.10
Non-Convertible Redeemable Bonds-Series-V	H & I	**94.80**		126.40	**31.60**		31.60
			4,559.80	4,711.40		**1,446.60**	2,799.70
Term Loans:							
From other parties							
Oil Industry Development Board (OIDB)	J		**1,385.00**	1,107.50		**772.50**	1,847.50
Total Secured Loans			**5,944.80**	5,818.90		**2,219.10**	4,647.20
UNSECURED LOANS							
Bonds							
Foreign Currency Bonds	K		**7,196.54**	5,088.00		**-**	-
US $ 1,325.57 million (2012: US $ 1,000.00 million)							
Term Loans:							
i) From Banks/Financial Institutions:							
In Foreign Currency Loans	L	**6,398.16**		3,888.21	**30.82**		28.88
US **$ 1,184.19 million** (2012: US $ 769.87 million)							
Senior Notes (Bank of America)	M	**1,628.70**		1,526.40	**-**		-
US **$ 300.00 million** (2012: US $ 300.00 million)							
ii) From Others							
In Rupees	N	**246.00**		505.25	**259.25**		400.23
			8,272.86	5,919.86		**290.07**	429.11
Total Unsecured Loans			**15,469.40**	11,007.86		**290.07**	429.11
TOTAL LONG-TERM BORROWINGS			**21,414.20**	16,826.76		**2,509.17**	5,076.31

Secured Loans (Bonds: A-I)

	Particulars	Allotment Date	Coupon Rate	Date of Redemption	Security Details
A	10,700 Bonds of face value of ₹ 10,00,000/- each	10th September 2008	11.00% p.a. payable annually on 15th September	After 10 years from the date of allotment.	These are secured by way of registered mortgage over the immovable properties of the Company i.e. Flat no. 3/62 Nanik Niwas of Shyam Co-op. Housing Society Ltd. situated at Bhulabhai Desai Road at Mumbai, together with 5 shares of the said society and immovable properties of the company at Panipat Refinery situated at Panipat in the state of Haryana ranking pari passu with Bond Series V, VI & IX holders and OIDB.
B	12,950 Bonds of face value of ₹ 10,00,000/- each	30th April 2012	9.35% p.a. payable annually on 30th June	After 5 years with put/call option after 3rd year from the date of allotment.	These are secured by way of registered mortgage over the immovable properties of the Company at Flat No. A-52, Rishi Krishna Co. Op. Hsg. Soc. Ltd., Linking Road, Oshiwara, Andheri (West), Mumbai 400 058 and immovable properties of the Company at Gujarat Refinery situated at Vadodara in the State of Gujarat ranking pari passu with Bond Series VIIB & XI holders and OIDB.

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Annual Accounts

	Particulars	Allotment Date	Coupon Rate	Date of Redemption	Security Details
C	16,000 Bonds of face value of ₹ 10,00,000/- each	11th December 2008	10.70% p.a. payable annually on 30th June	After 8 years from the date of allotment.	These are secured by way of registered mortgage over the immovable properties of the Company i.e. Flat no. 3/62 Nanik Niwas of Shyam Co-op. Housing Society Ltd. situated at Bhulabhai Desai Road at Mumbai, together with 5 shares of the said society and immovable properties of the company at Panipat Refinery situated at Panipat in the state of Haryana ranking pari passu with Bonds Series V, VI & VIII B holders and OIDB.
D	5,000 Bonds of face value of ₹ 10,00,000/- each	15th September 2005	7.40% p.a. payable annually on 15th September	After 10 years from the date of allotment.	These are secured by way of registered mortgage over the immovable properties of the Company at Gujarat Refinery situated at Vadodara in the state of Gujarat ranking pari passu with Bond Series XI & XII holders and OIDB.
E	14,150 Bonds of face value of ₹ 10,00,000/- each	21st December 2011	9.28% p.a. payable annually on 21st June each year	After 5 years with put/call option after 18 months from the date of allotment.	These are secured by way of registered mortgage over the immovable properties of the Company at Gujarat Refinery in the state of Gujarat ranking pari passu with Bond Series VII B & XII holders and OIDB.
F	20,000 Bonds of face value of ₹ 10,00,000/- each	24th July 2009	7.00% p.a. payable annually on 30th June	After 3 years from the date of allotment.	These were secured by way of registered mortgage over the immovable properties of the Company i.e. Flat no. 34, Makani Manor Co-op. Housing Society Ltd. situated at Peddar Road, at Mumbai, together with 10 shares of the said society and immovable properties of the company at Mathura Refinery situated at Mathura in the state of Uttar Pradesh. The principal amount alongwith interest due was paid to the bondholders on 24th July 2012.
G	10,000 Bonds of face value of ₹ 10,00,000/- each	10th June, 2005	7.15% p.a. payable annually on 30th June	After 7 years with put/call option after 5 years from the date of allotment.	The bondholders holding 2319 bonds exercised put option available on 10th June 2010. The remaining principal amount alongwith interest due was paid to the bondholders on10th June 2012.These were secured by way of registered mortgage over Company's premises No. 1343 situated at MIG Adarsh Nagar Co-op. Housing Society Ltd. at Worli, Mumbai together with 5 shares issued by MIG Adarsh Nagar Co-op. Housing Society Ltd and immovable properties of the company at Panipat Refinery in the state of Haryana ranking pari passu with Bond Series V, VI, VIII B & IX holders and OIDB.
H	158 Bonds of face value of ₹ 2,60,00,000/- each	18th July, 2001	10.25% p.a. payable annually on 30th September	Redeemable in 13 equal installments from the end of the 3rd year upto the end of 15th year from the date of allotment. Accordingly, 9th installment (STRPP 1) was paid in July 2012.	These are secured by way of registered mortgage over the Company's premises no. 301 situated in Bandra Anita Premises Co-op. Housing Society Ltd. at Bandra, Mumbai together with 5 shares of Bandra Anita Premises Co-op. Housing Society Ltd. and immovable properties at Panipat Refinery in the state of Haryana ranking pari passu with Bond Series VI, VIII B & IX holders and OIDB.
I	In line with the requirement of MCA circular no. 11/02/2012-CL-V (A) dated 11th Feb 2013, the company has earmarked 6.90% Oil Marketing companies GOI Special Bonds of carrying value of ₹ 216.99 Crore being 15% of the total bonds value of ₹ 1,446.60 crore maturing in the next financial year.				

Secured Loans (Term Loans : J)

1. Security Details for OIDB Loans:

a)	First Charge on the facilities of Motor Spirit Quality Improvement Project at Barauni Refinery in Bihar.
b)	First charge on facilities for improvement of Diesel quality and Distillate yield (Hydrocracker) and expanded capacity for Haldia Refinery (from 6 MMTPA to 7.5 MMTPA) which includes Once through Hydrocracking Unit (OHCU), Hydrogen Unit, Sulphur Recovery Unit, revamped Crude Distillation Unit and related utilities & off-site facilities pertaining to Haldia Refinery in the state of West Bengal.
c)	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 12 MMTPA to 15 MMTPA in the state of Haryana.
d)	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.
e)	First Charge on the facilities of Motor Spirit Quality Improvement Project which includes installation of light Naptha isomerisation along with Benzene Saturation Unit and other Units like Feed Preparation Unit, Reaction Section etc. and Diesel Hydro Teatment project at Bongaigaon Refinery, Dhaligaon, Assam.
f)	First Charge on the facilities at Paradip Refinery, Orissa.
g)	First charge on the facilities at Butadiene Extraction Unit, Panipat, Haryana.
h)	First charge on the facilities at FCC Unit at Mathura Refinery, Uttar Pradesh.

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

S.No.	Repayable During	Repayable Amount (₹ in crore)	Range of Interest Rate
1	2013-14	772.50	6.43% - 9.46%
2	2014-15	597.50	6.62% - 8.98%
3	2015-16	262.50	8.50% - 8.98%
4	2016-17	262.50	8.50% - 8.98%
5	2017-18	262.50	8.50% - 8.98%
	Total	**2,157.50**	

Contd...

Unsecured Loans (Bonds : K)

K. Repayment Schedule of Foreign Currency Bonds

S.No.	Particulars of Bonds	Date of Issue	Date of Repayment
1	USD 500 Million Reg s bonds	22nd January 2010	Payable after 5 years from the date of issue
2	USD 500 Million Reg s bonds	2nd August 2011	Payable after 10 years from the date of issue
3	SGD 400 million Reg S bonds	15th October 2012	On the same day, cross currency swap amounting to USD 325.58 Million. Payable after 10 years from the date of issue

Unsecured Loans (Term Loans : L - N)

L. Repayment Schedule of loans from Banks and financial institutions

1 USD 56.77 Million long term credit (credit in four tranches of USD 7.39 Million dt.31st March 2004, USD 15.29 Million dt 30th Nov. 2004, USD 32.49 Million dt. 22nd April 2005 and USD 1.60 Million dt 10th June 2005) guranteed by US EXIM Bank is payable in 20 semi annual installments starting from 20th March 2006 (in 20 equal semi annual installments of USD 2.84 Million).

S.No.	Particulars of Loans	Date of drawal	Date of Repayment
1	USD 500 Million syndication loan	31st Dec. 2010	Payable after 5 years from the date of drawal
2	USD 250 Million syndication loan	15th Dec. 2011	
3	USD 300 Million syndication loan	13th July 2012	
4	USD 120 Million syndication loan	12th March 2013	

M. Repayment Schedule of Senior Notes (Bank of America)

1 USD 300 million US Private Placement bonds issued in four tranches of USD 75 Million dt. 6th June, 2nd July, 1st August and 4th Sept. 2007 is payable in three tranches of USD 100 million each on 1st August 2016,1st August 2017, 1st August 2018

N. Repayment Schedule of Unsecured-Rupee Loans from OIDB

S.No.	Repayable During	Repayable Amount (₹ in Crore)	Range of Interest Rate
1	2013-14	259.25	5.82% - 9.60%
2	2014-15	169.75	5.82% - 8.89%
3	2015-16	51.25	7.20% - 8.89%
4	2016-17	25.00	8.89%
	Total	**505.25**	

NOTE - 5: DEFERRED TAX

[Item No. 2(b), Page No. 90]

In compliance of Accounting Standard – 22 on "Accounting for Taxes on Income", Deferred Tax expense amounting to ₹ **270.78 crore** (2012: Income of ₹**1094.71** crore) has been recognized during the current year. The year end position of Deferred Tax Liability is given below:

(₹ in Crore)

Particulars	As on 01.04.2012	Provided during the year	Balance as on 31.03.2013
Deferred Tax Liability:			
Depreciation and other fixed Assets	8,667.18	809.47	9,476.65
Total Deferred Tax Liability (A)	8,667.18	809.47	9,476.65
Deferred Tax Assets:			
Provision on Inventories, Trade Receivables, Loans and advances, Investments etc.	642.17	(223.54)	418.63
Compensation for Voluntary Retirement Scheme	4.19	20.33	24.52
43B Disallowances etc.	2,361.82	593.93	2,955.75
Capital Grants	4.37	(0.28)	4.09
Provision for leave encashment	412.75	148.25	561.00
Total Deferred Tax Assets (B)	3,425.30	538.69	3,963.99
Deferred Tax Liability (Net) (A – B)	5,241.88	270.78	5,512.66
Previous Year	6,336.59	(1,094.71)	5,241.88

NOTE - 6: OTHER LIABILITIES

[Item No. 2(c) & 3(c), Page No. 90]

(₹ in Crore)

Particulars	Non Current			Current		
		March-13	March-12		**March-13**	March-12
Current maturities of long-term debt (Refer Note - 4)		**-**	-		**2,509.17**	5,076.31
Interest accrued but not due on borrowings		**-**	-		**671.46**	626.67
Interest accrued and due on borrowings		**-**	-		**60.12**	47.05
Liability for Capital Expenditure		**-**	-		**2,537.67**	4,605.34
Liability to Trusts and Other Funds		**-**	-		**755.46**	19.46
Employee Liabilities		**-**	-		**1,094.22**	754.41
Statutory Liabilities		**-**	-		**4,713.60**	4,439.64
Liability for Purchases on Agency Basis		**-**	-		**4,223.73**	5,671.51
Advances from Customers		**-**	-		**1,482.75**	1,178.26
Investor Education & Protection Fund to be credited on the due dates :						
- Unpaid Dividend	**-**		-	**9.27**		9.01
- Unpaid Matured Deposits	**-**		-	**0.01**		0.01
		-	-		**9.28**	9.02
Liability on Foreign Currency Contracts	**-**		-			101.86
Less: Foreign Currency Receivables	**-**		-			101.76
						0.10
Security Deposits		**11,433.22**	9,827.93		**693.96**	577.70
Discount on Forward Contract (Refer Note - 16)		**-**	-		**-**	0.38
Deposits for materials given on loan (Net)(Refer Note -15)		**-**	-		**0.01**	0.01
Other Liabilities		**1.96**	2.37		**1,100.65**	911.79
TOTAL		**11,435.18**	9830.30		**19,852.08**	23,917.65

NOTE - 7: PROVISIONS

[Item No. 2(d) & 3(d), Page No. 90]

(₹ in Crore)

Particulars	Long Term		Short Term	
	March-13	March-12	**March-13**	March-12
Provision for Employee Benefits	**375.25**	258.18	**2,074.10**	1,666.61
Proposed Dividend	**-**	-	**1,505.33**	1,213.98
Corporate Dividend Tax	**-**	-	**255.83**	194.43
Contingencies for probable obligations A	**-**	-	**13,684.34**	11,705.08
Provision for MTM Loss on Interest Rate Swap	**-**	-	**121.08**	110.26
TOTAL	**375.25**	258.18	**17,640.68**	14,890.36

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

(₹ in Crore)

Particulars	Opening Balance	Addition during the year*	Utilization during the year**	Reversals during the year**	Closing Balance***
Excise	0.39	7.84	0.38	-	7.85
Sales Tax	216.52	577.25	2.25	0.01	791.51
Entry Tax	11,453.99	1,405.17	-	-	12,859.16
Others	34.18	4.89	0.72	12.53	25.82
TOTAL	**11,705.08**	**1,995.15**	**3.35**	**12.54**	**13,684.34**
Previous Year	1,492.68	10,267.80	2.46	52.94	11,705.08

Contd...

	March-13	March-12
* Additions include:		
- capitalized	**69.47**	0.09
- included in raw material	**864.04**	685.12
- included in Finance Cost	**632.18**	0.48
- Shown as Exceptional Item	**-**	7,707.82
- Amount transferred from Liabilities to Provisions	**-**	1,781.24

Utilization/reversal of provision includes ₹ **0.16 crore (2012: ₹ NIL) out of provision capitalized and ₹ **NIL** (2012: ₹ 0.13 crore) out of provision included in Raw Material.

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

NOTE - 8: SHORT TERM BORROWINGS

[Item No. 3(a), Page No. 90]

(₹ in Crore)

Particulars			March-13	March-12
SECURED LOANS				
Loans Repayable on Demand				
From Banks:				
Working Capital Demand Loan	A	**3,650.00**		5,400.00
Cash Credit		**2,231.72**		0.07
			5,881.72	5,400.07
From Others:				
Loans through Collaterised Borrowings and Lending Obligation (CBLO) of Clearing Corporation of India Ltd. (CCIL)	B		**2,630.00**	1,827.00
Total Secured Loans			**8,511.72**	7,227.07
UNSECURED LOANS				
Loans Repayable on Demand				
From Banks/Financial Institutions:				
In Foreign Currency		**30,679.28**		20,820.10
US **$ 5,651** million (2012: US $ 4,092 million)				
In Rupee		**16,140.00**		19,040.00
From Others				
Commercial Papers		**1,580.00**		4,410.00
Inter-Corporate Deposits		**-**		2,000.00
Total Unsecured Loans			**48,399.28**	46,270.10
TOTAL SHORT-TERM BORROWINGS			**56,911.00**	53,497.17

A. Against hypothecation by way of first pari passu charge on Raw Materials, Stock-in Trade, Sundry Debtors, Outstanding monies, Receivables, Claims, Contracts, Engagements, Etc.

B. Against pledging of Oil Marketing Companies Government of India Special Bonds amounting to ₹ 4365 crore and Bank Guarantees of ₹ 1650 crore in favour of CCIL.

NOTE - 9: TRADE PAYABLES

[Item No. 3(b), Page No. 90]

(₹ in Crore)

Particulars	March-13	March-12
Dues of Micro, Small and Medium Enterprises	**12.36**	12.16
Dues to Related Parties	**2,930.96**	2,890.03
Dues to others	**26,786.59**	24,618.56
TOTAL	**29,729.91**	27,520.75

NOTE - 10: TANGIBLE ASSETS

[Item No. 4(a)(i), Page No. 90]

		AT COST					DEPRECIATION,	
		Gross Block as at 1.04.12	Additions during the year	Transfers from Construction Work-in-Progress	Disposals / Deductions / Transfers / Reclassifications	Gross Block as at 31.03.13 (Refer C)	Depreciation & Amortisation as at 1.04.12	Depreciation and Amortisation during the year (Refer D)
Land-Freehold	A	1124.48	71.43	0.01	(21.34)	1174.58	0.00	0.00
-Leasehold	A	478.78	216.65	1.66	(2.89)	694.20	88.94	18.08
Buildings, Roads etc.	B	8725.71	65.92	609.30	(43.98)	9356.95	1456.74	175.57
Plant and Equipment	E	84346.98	2209.57	3279.11	(947.17)	88888.49	35557.30	4719.49
Office Equipments		1756.83	134.53	75.65	(80.89)	1886.12	822.46	130.96
Transport Equipments		386.93	25.57	2.35	(5.30)	409.55	301.83	15.95
Furnitures and Fixtures		295.29	29.14	7.50	(11.12)	320.81	156.07	16.93
Railway Sidings		200.49	0.74	0.02	(0.85)	200.40	121.05	8.17
Drainage, Sewage and Water Supply System		367.10	0.56	1.29	(4.50)	364.45	211.59	11.82
Total		**97682.59**	**2754.11**	**3976.89**	**(1118.04)**	**103295.55**	**38715.98**	**5096.97**
Previous Year		91698.31	2700.88	4827.46	(1544.06)	97682.59	34474.97	4414.78

A. i) Freehold land includes 57.27 acres at a nominal value of ₹ 1 which was originally purchased at ₹ **16.65 crore** and leased out to a jointly owned entity for a period of 99 years against reimbursement of cost by onetime premium. As per the lease deed the same is renewable for further periods.

ii) Freehold land includes ₹ **7.58 crore** (2012: ₹ 7.58 crore) lying vacant due to title disputes/ litigation.

iii) Net Block of Leasehold Land includes an amount of ₹ **4.25 crore** (2012: ₹ 13.32 crore) earmarked for disposal.

B. i) Buildings include ₹ **0.01 crore** (2012: ₹ 0.01 crore) towards value of 1610 (2012: 1610) Shares in Co-operative Housing Societies towards membership of such societies for purchase of flats.

ii) Net Block for Buildings includes an amount of ₹ **5.07 crore** (2012: ₹ 5.92 crore) earmarked for disposal, on which no further depreciation is charged.

C. The cost of assets are net of VAT CREDIT/CENVAT, wherever applicable.

D. Depreciation and amortisation for the year includes ₹ **11.67 crore** (2012 : ₹ (326.05) crore) pertaining to prior year and ₹ **29.05 crore** (2012 : ₹ 17.24 crore) relating to construction period expenses shown in Note-27 and Note-12.1 respectively.

E. Railways have claimed transfer of ownership in respect of certain assets provided by the Company at railway premises which has not been accepted by the company and continue to be part of fixed assets of the Company, WDV of such assets is ₹ **65.59 crores** (2012: ₹ 57.27 crores).

F. Considering the Government policies and modalities of compensating the oil marketing companies towards under-recoveries, future cash flows are worked out based on desired margins for deciding on impairment of related Cash Generating Units. In view of the assumption being technical, peculiar to the industry and policy matter, the auditors have relied on the same.

G. Impairment provision of ₹ **34.32 crore** pertaining to PSF plant at Bongaigaon Refinery has been charged off against the loss booked for dismantling/writeoff of plant in FY 2012-13.

H. Land & Buildings include ₹ **63.87 crore** (2012: ₹ 95.12 crore) in respect of which Title / Lease Deeds are pending for execution or renewal.

Details of assets given on operating lease included above:

(₹ in Crore)

Asset Particulars	Original Cost	Accumulated Depreciation & Amortisation	Accumulated Impairment Loss	W.D.V. as at 31.03.13	W.D.V. as at 31.03.12
Plant and Equipment	24.76	20.83	-	3.93	5.14

(₹ in Crore)

AMORTISATION & IMPAIRMENT						NET BLOCK	
Disposals / Deductions / Transfers / Reclassifications	Total Depreciation and Amortisation upto 31.03.13	Total Impairment Loss as at 1.04.12	Impairment Loss during the year (Refer F)	Impairment loss reversed during the the year (Refer G)	Total Impairment Loss upto 31.03.13	AS AT 31.03.13	AS AT 31.03.12
0.00	0.00	0.00	0.00	0.00	0.00	1174.58	1124.48
(0.27)	106.75	0.00	0.00	0.00	0.00	587.45	389.84
(1.61)	1630.70	0.00	0.00	0.00	0.00	7726.25	7268.97
(272.57)	40004.22	34.32	0.00	(34.32)	0.00	48884.27	48755.36
(49.17)	904.25	0.00	0.00	0.00	0.00	981.87	934.37
(4.79)	312.99	0.00	0.00	0.00	0.00	96.56	85.10
(8.10)	164.90	0.00	0.00	0.00	0.00	155.91	139.22
0.00	129.22	0.00	0.00	0.00	0.00	71.18	79.44
(4.34)	219.07	0.00	0.00	0.00	0.00	145.38	155.51
(340.85)	**43472.10**	**34.32**	**0.00**	**(34.32)**	**0.00**	**59823.45**	**58932.29**
(173.77)	38715.98	34.32	0.00	0.00	34.32	58932.29	

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

(₹ in Crore)

Assets Particulars	Name of Joint Owner	Original Cost	Accumulated Depreciation & Amortisation	Accumulated Impairment Loss	W.D.V. as at 31.03.13	W.D.V. as at 31.03.12
Land - Freehold	HPC/BPC	3.10	0.00	0.00	3.10	3.10
Land - Leasehold	HPC/BPC/BALMER LAWRIE	0.18	0.07	0.00	0.11	0.12
Buildings	HPC/BPC/BALMER LAWRIE	17.97	6.55	0.00	11.42	11.92
Plant and Equipment	HPC/BPC/GSFC/IPCL/GNRE	127.31	66.24	0.00	61.07	67.32
Transport Equipment	RAILWAYS	183.58	174.40	0.00	9.18	9.18
Railway Sidings	HPC/BPC	55.94	40.28	0.00	15.66	19.20
Drainage,Sewage & Water Supply	GSFC	0.99	0.94	0.00	0.05	0.05
Total		**389.07**	**288.48**	**0.00**	**100.59**	**110.89**
Previous year		389.05	278.16	0.00	110.89	

Additions to Gross Block Includes:

(₹ in Crore)

Asset Particulars	Exchange Fluctuation		Borrowing Cost	
	31.03.13	31.03.12	31.03.13	31.03.12
Land - Freehold	-	1.13	-	1.13
Land - Leasehold	-	-	-	-
Buildings	1.89	6.64	2.69	17.99
Plant and Equipment	283.23	401.45	21.22	184.32
Office Equipments	-	0.02	-	-
Transport Equipment	-	-	-	-
Furniture & Fixtures	-	-	-	-
Railway Sidings	-	0.01	0.01	0.57
Drainage,Sewage & Water Supply	-	-	-	-
Total	**285.12**	**409.25**	**23.92**	**204.01**

NOTE - 11: INTANGIBLE ASSETS

[Item No. 4(a)(ii), Page No. 90]

		AT COST					DEPRECIATION	
		Gross Block as at 1.04.12	Additions during the year	Transfers from Construction Work-in-Progress	Disposals / Deductions / Transfers / Reclassifications	Gross Block as at 31.03.13	Total Amortisation as at 1.04.12	Amortisation during the year (Refer B)
Right of Way	A	134.39	13.35	0.00	(0.16)	147.58	0.00	8.57
Licenses		1220.71	12.25	0.29	(3.25)	1230.00	467.09	123.48
Computer Software		145.24	16.14	5.23	(0.26)	166.35	117.09	20.00
Total		**1500.34**	**41.74**	**5.52**	**(3.67)**	**1543.93**	**584.18**	**152.05**
Previous Year		1439.29	83.37	3.32	(25.64)	1500.34	439.26	144.92

A. Right of way for laying pipelines is right of use of land but does not bestow upon the company, the ownership of land and hence, treated as intangible asset. This right being perpetual, was not considered for amortisation hitherto, has now been considered for amortization on a straight line basis over the period of such right of way or 99 years whichever is less. This change has resulted in increase in amortization with corresponding decrease in current year profit and carrying value of intangible asset by ₹ 8.57 crore.

B. (a) Amortisation for the year includes ₹ **7.14 crore** (2012 : ₹ 0.66 crore) pertaining to prior year taken to Note-27.
   (b) Amortisation for the year includes ₹ **0.17 crore** (2012 : ₹ 0.06 crore) relating to construction period expenses taken to Note-12.1.

C. Impairment provision of ₹ **1.65 crore** pertaining to PSF plant at Bongaigaon Refinery has been charged off against the loss booked for dismantling/writeoff of plant in FY 2012-13.

Additions to Gross Block Includes: **(₹ in Crore)**

Asset Particulars	Exchange Fluctuation		Borrowing Cost	
	31.03.2013	31.03.12	**31.03.2013**	31.03.12
Licences	**0.15**	0.27	-	-

NOTE - 12: CAPITAL WORK IN PROGRESS

[Item No. 4(a)(iii), Page No. 90]

(₹ in Crore)

Particulars			**March-13**	March-12
Construction Work in Progress - Tangible Assets (Including unallocated capital expenditure, materials at site)	A	**9,581.47**		7,403.23
Less: Provision for Capital Losses		**138.89**		143.86
			9,442.58	7,259.37
Capital stores	B	**4,745.75**		2,310.53
Less: Provision for Capital Losses		**0.03**		0.20
			4,745.72	2,310.33
Capital Goods in Transit			**324.18**	1,887.63
Construction Period Expenses pending allocation:				
Balance as at beginning of the year		**1,958.03**		919.31
Add: Net expenditure during the year (Note -"12.1")		**1,700.14**		1,448.76
		3,658.17		2,368.07
Less: Allocated to Assets during the year		**183.52**		410.04
			3,474.65	1,958.03
TOTAL			**17,987.13**	13,415.36
A. Includes Capital Expenditure amounting to ₹ **298.12 crore** (2012 : ₹ 176.83 crore) relating to ongoing Oil & Gas Exploration activities.				
B. Includes Stock lying with Contractors			**51.01**	114.87

(₹ in Crore)

	AMORTISATION & IMPAIRMENT				NET BLOCK	
Disposals / Deductions / Transfers / Reclassifications	Total Amortisation upto 31.03.13	Total Impairment Loss as at 1.04.12	Impairment Loss during the year (Refer C)	Total Impairment Loss upto 31.03.13	AS AT 31.03.13	AS AT 31.03.12
0.00	8.57	0.00	0.00	0.00	139.01	134.39
(1.33)	589.24	1.65	(1.65)	0.00	640.76	751.97
(0.25)	136.84	0.00	0.00	0.00	29.51	28.15
(1.58)	**734.65**	**1.65**	**(1.65)**	**0.00**	**809.28**	**914.51**
0.00	584.18	1.65	0.00	1.65	914.51	

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

(₹ in Crore)

Particulars	March-13	March-12
Employee Benefit expenses	**248.40**	176.82
Repairs and Maintenance	**10.79**	7.04
Consumption of Stores and Spares	**3.60**	0.05
Power & Fuel	**1.79**	40.07
Rent	**7.13**	3.80
Insurance	**39.08**	40.92
Rates and Taxes	**0.33**	0.20
Travelling Expenses	**34.15**	26.22
Communication Expenses	**1.66**	1.36
Printing and Stationery	**0.99**	0.93
Electricity and Water Charges	**11.14**	11.13
Bank Charges	**0.75**	0.64
Technical Assistance Fees	**0.11**	0.50
Exchange Fluctuation	**597.74**	544.43
Finance Cost	**724.96**	584.29
Depreciation and Amortisation on		
Tangible Assets	**29.05**	17.24
Intangible Assets	**0.17**	0.06
Start Up/ Trial Run Expenses	**-**	2.92
Others	**46.22**	45.75
Total Expenses	**1,758.06**	1,504.37
Less : Recoveries	**57.92**	55.61
Net Expenditure during the year	**1,700.14**	1,448.76

NOTE - 13: INTANGIBLE ASSETS UNDER DEVELOPMENT

[Item No. 4(a)(iv), Page No. 90]

(₹ in Crore)

Particulars	March-13	March-12
Work in Progress - Intangible Asset (Including Unallocated Capital Expenditure)	**285.99**	272.53
TOTAL	**285.99**	272.53

NOTE - 14: INVESTMENTS

[Item No. 4(b) & 5(a), Page No. 90 & 91]

(₹ in Crore)

	Particulars	No. and Particulars of Shares	Face Value per Share (Rupees)	March-13	March-12
I	**NON-CURRENT INVESTMENTS (At Cost):**				
1.	**QUOTED:**				
	Trade Investments:				
	In Subsidiary Companies:				
	Chennai Petroleum Corporation Limited	7,72,65,200 Equity Shares each fully paid	10/-	**509.33**	509.33
	Lanka IOC PLC (Quoted in Colombo Stock Exchange, Sri Lanka)	40,00,00,005 Equity Shares each fully paid	10/- [a]	**194.13**	194.13
		Sub-total: (a)		**703.46**	703.46
	In Joint Venture Companies				
	Petronet LNG Limited	9,37,50,000 Equity Shares each fully paid	10/-	**98.75**	98.75
		Sub-total (b):		**98.75**	98.75
	Others:				
	Oil and Natural Gas Corporation Limited	65,79,23,428 Equity Shares each fully paid	5/-	**1,780.12**	1,780.12
	GAIL (India) Limited	3,06,29,661 Equity Shares each fully paid	10/-	**122.52**	122.52
	Oil India Limited	2,67,50,550 Equity Shares each fully paid	10/-	**1,123.52**	1,123.52
		Sub-total (c):		**3,026.16**	3,026.16
		TOTAL: 1		**3,828.37**	3,828.37

Aggregate Market Value of securities mentioned above is ₹ 25,394.76 crore (2012: ₹ 23,238.21 crore) as on 31st March, 2013 which includes ₹ 349.91 crore (2012: ₹ 308.13 crore) in respect of Lanka IOC PLC, quoted on Colombo Stock Exchange, Sri Lanka, being equivalent in Indian currency.

	Particulars	No. and Particulars of Shares	Face Value per Share (Rupees)	March-13	March-12
2.	**UNQUOTED:**				
A)	**Non-Trade Investments:**				
	In Government - Securities [b]	Deposited with various bodies		**-**	0.01
	In Consumer Cooperative Societies:				
	Barauni [c]	250 Equity Shares each fully paid	10/- }		
	Guwahati [d]	750 Equity Shares each fully paid	10/- }		
	Mathura [e]	200 Equity Shares each fully paid	10/- }		
	Haldia [f]	1,663 Equity Shares each fully paid	10/- }		
	In IndianOil Cooperative [g] Consumer Stores Ltd., Delhi	375 Equity Shares each fully paid	10/- }		
	Others:				
	Assam Sillimanite Ltd. [h] (In liquidation)	1,00,000 Equity Shares fully paid as revalued by Directors on 31.03.1980	10/- }		
	Shama Forge Co. Ltd. [i] (In liquidation)	1,00,000 Equity Shares fully paid as revalued by Directors on 31.03.1979	10/- }		
	Shama Forge Co. Ltd. [j] (In liquidation)	5,000 9.5% Cumulative Redeemable Preference Shares fully paid as revalued by Directors on 31.03.1979	100/- }		
		Sub-total: 2A		**-**	0.01

a. In Sri Lankan Rupees
b. Amount Invested is ₹ Nil (2012: ₹ 69,036)
c. Amount Invested is ₹ 2,500 (2012: ₹ 2,500)
d. Amount Invested is ₹ 2,500 (2012: ₹ 2,500)
e. Amount Invested is ₹ 2,000 (2012: ₹ 2,000)
f. Amount Invested is ₹ 16,630 (2012: ₹ 16,630)
g. Amount Invested is ₹ 3,750 (2012: ₹ 3,750)
h. Amount Invested is ₹ 100 (2012: ₹ 100)
i. Amount Invested is ₹ 100 (2012: ₹ 100)
j. Amount Invested is ₹ 100 (2012: ₹ 100)

Contd...

NOTE - 14: INVESTMENTS (Contd.)

(₹ in Crore)

	Particulars	No. and Particulars of Shares	Face Value per Share (Rupees)		March-13	March-12
B)	**Trade Investments:**					
a)	**In Subsidiary Companies:**					
	IndianOil Mauritius Limited	48,82,043 Equity Shares each fully paid	100/- [k]		**75.67**	75.67
	IOC Middle East FZE	2 Equity Shares each fully paid	1 Million/- [l]		**2.30**	2.30
	IndianOil Creda Bio Fuels Ltd.	1,66,49,997 (2012: 1,18,39,997) Equity Shares each fully paid	10/-		**16.65**	11.84
	IOC Sweden AB	33,46,988 (2012: 27,32,057) Equity Shares each fully paid	100/- [m]		**224.87**	177.64
	IOCL (USA) Inc.	3,000 (2012: Nil) Equity Shares each fully paid	0.01/- [n]		**-**	-
		Sub-total: (a)			**319.49**	267.45
b)	**In Joint Venture Companies:**					
	Avi-Oil India Private Limited	45,00,000 Equity Shares each fully paid	10/-		**4.50**	4.50
	Petronet India Limited	1,80,00,000 Equity Shares each fully paid	10/-	**18.00**		18.00
	Less: Provision for Diminution			**18.00**		18.00
					-	-
	IOT Infrastructure & Energy Services Limited	11,61,42,855 Equity Shares each fully paid	10/-		**155.72**	155.72
	Petronet VK Limited	2,59,99,970 Equity Shares each fully paid	10/-	**26.00**		26.00
	Less: Provision for Diminution			**26.00**		26.00
					-	-
	IndianOil Panipat Power Consortium Limited	8,40,000 Equity Shares each fully paid	10/-	**1.99**		1.99
	Less: Provision for Diminution			**1.99**		1.99
					-	-
	Lubrizol India Private Limited	9,60,000 Equity Shares each fully paid	100/-		**118.67**	118.67
	IndianOil Petronas Private Limited	13,40,00,000 Equity Shares each fully paid	10/-		**134.00**	134.00
	Petronet CI Limited	37,44,000 Equity Shares each fully paid	10/-	**3.83**		3.83
	Less: Provision for Diminution			**3.83**		3.83
					-	-
	Green Gas Limited	12,500 Equity Shares each fully paid	10/-		**0.01**	0.01
	Indo Cat Private Limited	66,96,100 (2012: 62,76,100) Equity Shares each fully paid	10/-		**6.70**	6.28
	IndianOil SkyTanking Limited	1,73,00,000 Equity Shares each fully paid	10/-		**17.30**	17.30
	Suntera Nigeria 205 Limited	62,502 Equity Shares each fully paid	1/- [o]		**-**	-
	Delhi Aviation Fuel Facility Pvt. Ltd.	6,06,80,000 Equity Shares each fully paid	10/-		**60.68**	60.68
	Indian Synthetic Rubbers Limited	17,57,81,250 (2012: 14,06,25,000) Equity Shares each fully paid	10/-		**175.78**	140.63
	NPCIL-IndianOil Nucler Energy Corporation Limited	2,60,000 Equity Shares each fully paid	10/-		**0.26**	0.26
	GSPL India Gasnet Limited	1,50,25,030 (2012: Nil) Equity Shares each fully paid			**15.03**	-
	GSPL India Transco Limited	1,00,25,030 (2012: Nil) Equity Shares each fully paid			**10.03**	-
		Sub-total: (b)			**698.68**	638.05

k. In Mauritian Rupees
l. In Arab Emirates Dirham
m. In Swedish Krona
n. In USD {Amount invested is ₹ 1,617 (2012: Nil)}
o. In Naira rupees {Amount Invested is ₹ 21,897 (2012: ₹ 21,897)}

Contd...

NOTE - 14: INVESTMENTS (Contd.)

(₹ in Crore)

	Particulars	No. and Particulars of Shares	Face Value per Share (Rupees)		March-13	March-12
c)	**In Others**					
	International Cooperative Petroleum Association, New York	350 Shares fully paid up and partly paid up common stock of $72.31	$100		**0.02**	0.02
	Haldia Petrochemical Limited	15,00,00,000 Equity shares each fully paid	10/-		**150.00**	150.00
	Vadodara Enviro Channel Limited	7,151 Equity Shares each fully paid	10/- [p]		**-**	-
	Petroleum India International (AOP by Oil Companies)	Capital Fund		**15.00**		15.00
		Share in accumulated surlpus		**19.91**		18.16
					34.91	33.16
	IndianOil Ruchi Biofuels LLP (Limited Liability Partnership)	Capital Fund			**1.05**	0.85
	Woodlands Multispeciality Hospital Limited	1,01,095 Equity shares each fully paid	10/-		**0.10**	0.00
		Sub-total: (c)			**186.08**	184.13
		Sub-total: 2B			**1,204.25**	1,089.63
		Total: 2			**1,204.25**	1,089.64
		Total I: (1 + 2)			**5,032.62**	4,918.01
	Aggregate value of Unquoted Non Current Investments				**1,254.07**	1,139.46
	Aggregate value of provisions on Unquoted Non Current Investments				**49.82**	49.82

	Particulars	No. and Particulars	Face Value (Rupees)		March-13	March-12
II	**CURRENT INVESTMENTS: (Valued at Lower of Cost or Fair Market Value)**					
	[Item No. 5(a), Page No. 91]					
	UNQUOTED:					
	Oil Marketing Companies GOI Special Bonds	1,44,69,040 Number of Bonds (2012: 1,53,54,677)	10,000/-		**14,469.04**	15,354.68
	Less: Marked to Market Loss			**830.44**	1,594.23	
		Total II:			**13,638.60**	13,760.45

p. Amount Invested is ₹ 10 (2012: ₹ 10)

Contd...

Note : A

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

Name of the Company	No. of Shares	(₹ Crore)
Indian Oil Creda Biofuels Limited	4,810,000	4.81
IOC Sweden AB	614,931	47.23
IOCL (USA) Inc.	3,000	-
Indo Cat Private Limited	420,000	0.42
Indian Synthetic Rubber Limited	35,156,250	35.15
GSPL India Gasnet Limited	15,025,030	15.03
GSPL India Transco Limited	10,025,030	10.03
Indian Oil Ruchi Biofuels LLP	Partnership	0.20

Note: B

Investment in IndianOil Ruchi Bio fuel (LLP)

Name of the Partners	Share	Capital (₹ Crore)
Indian Oil Corporation Limited	50.00%	1.05
Ruchi Biofuels Limited	50.00%	1.05

Note: C

Current Investment includes ₹ 6,929.06 crore 6.90% Oil Marketing companies GOI Special Bonds (net of marked to market Loss) out of which ₹ 216.99 crore has been earmarked in line with the requirement of MCA circular No. 11/02/2012-CL-V (A) dated 11th Feb 2013.

NOTE - 15: LOANS AND ADVANCES

[Item No. 4(c) & 5(e), Page No. 90 & 91]

(₹ in Crore)

Particulars		Long Term			Short Term		
			March-13	March-12		March-13	March-12
Advance for Capital Expenditure:							
Secured, Considered Good		**106.04**		159.68	**-**		-
Unsecured, Considered Good		**9,185.24**		7,922.07	**-**		-
Unsecured, Considered Doubtful		**0.10**		0.20	**-**		-
		9,291.38		8,081.95	**-**		-
Less: Provision for Doubtful Advance		**0.10**		0.20	**-**	**-**	-
			9,291.28	8,081.75		**-**	-
Advances for Investments:							
Joint Ventures	A	**23.03**		23.03	**-**		-
Subsidiary Companies	A	**112.00**		-	**-**		-
			135.03	23.03		**-**	-
Advance recoverable in cash or in kind or for value to be received:	B						
From Related Parties							
Secured, Considered Good		**0.08**		0.05	**0.04**		0.01
Unsecured, Considered Good		**75.58**		68.17	**26.13**		18.73
Unsecured, Considered Doubtful		**-**		-	**2.25**		2.22
		75.66		68.22	**28.42**		20.96
Less : Provision for Doubtful Advances		**-**		-	**2.25**		2.22
		75.66		68.22	**26.17**		18.74
From Others							
Secured, Considered Good		**778.87**		781.97	**75.79**		83.79
Unsecured, Considered Good		**1,348.60**		1,313.36	**2,484.06**		2,967.84
Unsecured, Considered Doubtful		**0.33**		0.33	**5.27**		4.81
		2,127.80		2,095.66	**2,565.12**		3,056.44
Less : Provision for Doubtful Advances		**0.33**		0.33	**5.27**		4.81
		2,127.47		2,095.33	**2,559.85**		3,051.63
			2,203.13	2,163.55		**2,586.02**	3,070.37
Amount Recoverable from Central/State Govt.:							
Unsecured, Considered Good			**-**	-		**23,843.23**	20,926.89
Finance Lease Receivables			**7.34**	8.89		**1.54**	1.40
Claims Recoverable:	C						
From Related Parties							
Unsecured, Considered Good		**-**		-	**1.39**		1.86
Unsecured, Considered Doubtful		**-**		-	**2.61**		2.61
		-		-	**4.00**		4.47
From Others							
Secured, Considered Good		**-**		-	**-**		-
Unsecured, Considered Good		**-**		-	**1,460.18**		1,014.03
Unsecured, Considered Doubtful		**-**		-	**77.40**		48.36
		-		-	**1,537.58**		1,062.39
Less : Provision for Doubtful Claims		**-**		-	**80.01**		50.97
		-	**-**	-	**1,457.57**		1,011.42
						1,461.57	1,015.89

Contd...

NOTE - 15: LOANS AND ADVANCES

[Item No. 4(c) & 5(e), Page No. 90 & 91]

(₹ in Crore)

Particulars		Long Term			Short Term		
		March-13		March-12	March-13		March-12
Advance for Capital Expenditure:							
Secured, Considered Good		106.04		159.68	-		-
Unsecured, Considered Good		9,185.24		7,922.07	-		-
Unsecured, Considered Doubtful		0.10		0.20	-		-
		9,291.38		8,081.95	-		-
Less: Provision for Doubtful Advance		0.10		0.20	-	-	-
			9,291.28	8,081.75		-	-
Advances for Investments:							
Joint Ventures	A	23.03		23.03		-	-
Subsidiary Companies	A	112.00		-		-	-
			135.03	23.03			
Advance recoverable in cash or in kind or for value to be received:	B						
From Related Parties							
Secured, Considered Good		0.08		0.05	0.04		0.01
Unsecured, Considered Good		75.58		68.17	26.13		18.73
Unsecured, Considered Doubtful		-		-	2.25		2.22
		75.66		68.22	28.42		20.96
Less : Provision for Doubtful Advances		-		-	2.25		2.22
		75.66		68.22	26.17		18.74
From Others							
Secured, Considered Good		778.87		781.97	75.79		83.79
Unsecured, Considered Good		1,348.60		1,313.36	2,484.06		2,967.84
Unsecured, Considered Doubtful		0.33		0.33	5.27		4.81
		2,127.80		2,095.66	2,565.12		3,056.44
Less : Provision for Doubtful Advances		0.33		0.33	5.27		4.81
		2,127.47		2,095.33	2,559.85		3,051.63
			2,203.13	2,163.55		2,586.02	3,070.37
Amount Recoverable from Central/State Govt.:							
Unsecured, Considered Good			-	-		23,843.23	20,926.89
Finance Lease Receivables			7.34	8.89		1.54	1.40
Claims Recoverable:	C						
From Related Parties							
Unsecured, Considered Good		-		-	1.39		1.86
Unsecured, Considered Doubtful		-		-	2.61		2.61
		-		-	4.00		4.47
From Others							
Secured, Considered Good		-		-	1,460.18		1,014.03
Unsecured, Considered Good		-		-	77.40		48.36
Unsecured, Considered Doubtful		-		-	1,537.58		1,062.39
		-		-	80.01		50.97
Less : Provision for Doubtful Claims		-		-	1,457.57		1,011.42
		-	-	-		1,461.57	1,015.89

NOTE - 15: LOANS AND ADVANCES (Contd.)

(₹ in Crore)

Particulars	Long Term			Short Term		
		March-13	March-12		**March-13**	March-12
Balance with Customs, Port Trust and						
Excise Authorities:						
Unsecured, Considered Good		**-**	-		**24.68**	15.84
Deposits for Leave Encashment Fund		**-**	-		**1,894.92**	1,728.13
Advance Tax/Provision for Taxation:						
For Current Tax	**-**		-	**3,724.28**		3,878.57
Less : Advance Payments	**-**		-	**4,348.11**		4,319.63
	-		-	**(623.83)**		(441.06)
For Fringe Benefit Tax	**-**		-	**44.52**		44.52
Less : Advance Payments	**-**		-	**52.03**		52.03
	-		-	**(7.51)**		(7.51)
Advance Tax (net)		**-**	-		**631.34**	448.57
Mat Credit Receivable		**-**	-		**1,142.08**	691.99
Materials given on loan (Refer Note-6)**:**						
To Related Parties						
Secured, Considered Good	**-**		-	**0.16**		0.08
Less : Deposits received	**-**		-	**0.17**		0.09
	-		-	**(0.01)**		(0.01)
To Others						
Unsecured, Considered Good	**-**	**-**	-	**-**	**-**	-
Sundry Deposits						
To Others						
Secured, Considered Good	**9.23**		9.04	**-**		0.10
Unsecured, Considered Good	**98.36**		102.32	**5,239.11**		4,625.92
Unsecured, Considered Doubtful	**-**		-	**0.31**		0.32
	107.59		111.36	**5,239.42**		4,626.34
Less : Provision for Doubtful Deposits	**-**		-	**0.31**		0.32
		107.59	111.36		**5,239.11**	4,626.02
TOTAL		**11,744.37**	10,388.58		**36,824.49**	32,525.10
A. Advances against equity pending allotment						
B. Includes:						
1. Due from Directors		**0.08**	0.13		**0.05**	0.04
2. Due from other Officers		**1.43**	1.15		**0.76**	0.47
C. Includes:						
1. Customs/ Excise Duty/DEPB/Duty Drawback Claims which are in the process of being claimed with the Department.		**-**	-		**51.47**	121.07
2. Claims recoverable from Customs Authorities pending for final assessment / settlement.		**-**	-		**126.65**	133.53

NOTE - 16: OTHER ASSETS

[Item No. 4(d) & 5(f), Page No. 90 & 91]

(₹ in Crore)

Particulars	Non Current			Current		
		March-13	March-12		**March-13**	March-12
Interest Accrued on Investments/ Bank Deposits		**-**	-		**155.78**	165.33
Gold Coins in Hand (at Cost)		**-**	-		**5.18**	4.22
Receivable from IOC Shares Trust	-			**1,989.78**		1,989.78
Less : Provision for Diminution	-			**348.63**		458.78
		-	-		**1,641.15**	1,531.00
Premium/(Discount) on Forward Contract (Refer Note-6)						
As per Last account	**(0.38)**		9.74			
Add:-Expenditure during the year	**15.87**		78.90			
	15.49		88.64			
Less:Amortised during the year	**15.49**		89.02			
	-		(0.38)			
Less:Current Portion	**-**		-			
		-	-		**-**	-
Discount on Issue of Bonds						
As per Last account	**20.16**		5.41			
Add:-Expenditure during the year	**-**		17.32			
	20.16		22.73			
Less:Amortised during the year	**3.15**		2.57			
	17.01		20.16			
Less:Current Portion	**3.15**		3.15			
		13.86	17.01		**3.15**	3.15
Receivables on Agency Sales		**-**	-		**4,363.66**	5,782.90
Dismantled Capital Assets Held for Disposal		-	-		**23.86**	19.41
Others		**-**	-		**570.24**	348.22
TOTAL		**13.86**	17.01		**6,763.02**	7,854.23

NOTE - 17: INVENTORIES

[Item No. 5(b), Page No. 91]

(₹ in Crore)

Particulars			March-13	March-12
In Hand:				
Stores, Spares etc.	A	**2,958.14**		2,492.36
Less : Provision for Losses		**134.14**		114.37
			2,824.00	2,377.99
Raw Materials	B		**16,229.58**	16,235.77
Finished Products	C		**20,094.20**	17,649.75
Stock in Trade	D		**6,300.41**	4,386.17
Stock in Process			**5,449.14**	5,302.52
Barrels and Tins	E		**35.52**	32.14
			50,932.85	45,984.34
In Transit:				
Stores, Spares etc.			**122.50**	139.16
Raw Materials			**7,138.77**	10,300.15
Finished Products			**-**	1.44
Stock in Trade			**1,120.27**	404.11
			8,381.54	10,844.86
TOTAL			**59,314.39**	56,829.20
Includes-				
A) Stock Lying with Contractors			**3.99**	4.74
B) Stock Lying with Others			**2.44**	4.37
C) Stock Lying with Others			**794.46**	528.81
D) Stock Lying with Others			**749.16**	403.25
E) Stock Lying with Others			**0.79**	1.75

NOTE - 18: TRADE RECEIVABLES

[Item No. 5(c), Page No. 91]

(₹ in Crore)

Particulars		March-13	March-12
Over Six Months:			
From Related Parties			
Unsecured, Considered Good	**0.11**		0.24
From Others			
Unsecured, Considered Good	**1,274.75**		1287.64
Unsecured, Considered Doubtful	**130.30**		139.78
	1,405.05		1,427.42
		1,405.16	1,427.66
Other Debts:			
From Related Parties			
Unsecured, Considered Good	**77.95**		55.09
From Others			
Secured Considered Good	**49.80**		49.84
Unsecured, Considered Good	**9,852.17**		8,332.66
Unsecured, Considered Doubtful	**53.68**		72.19
	9,955.65		8,454.69
		10,033.60	8,509.78
TOTAL		**11,438.76**	9,937.44
Less : Provision for Doubtful Debts		**183.98**	211.97
TOTAL		**11,254.78**	9,725.47

Consequent to change in accounting policy for exclusion of DGS&D group of customer and RO dealers for determining 1% adhoc provision on Trade receivables, the Provision for Doubtful Debts stands reduced by ₹ **39.38 crore** with consequential increase in profit by an equal amount.

NOTE - 19: CASH AND BANK BALANCES

[Item No. 5(d), Page No. 91]

(₹ in Crore)

Particulars			March-13	March-12
Cash and Cash Equivalents				
Bank Balances with Scheduled Banks:				
Current Account		**24.71**		140.46
Fixed Deposit - Maturing within 3 months		**300.00**		-
Earmarked Balances	A	**9.35**		9.09
			334.06	149.55
Bank Balances with Non-Scheduled Banks:				
Bank of Commerce & Development, Libya [Maximum balance during the year ₹ 0.53 crore]		**0.53**		0.50
Myanmar Economic Bank Branch(5), Rangoon [Maximum balance during the year ₹ 0.01 crore]	B	**0.01**		0.01
			0.54	0.51
Cheques, Drafts in hand			**159.76**	152.87
Cash Balances, Including Imprest			**7.56**	3.39
Other Bank Balances				
Fixed Deposit	C	**1.27**		0.51
Blocked Account		**0.10**		0.18
			1.37	0.69
TOTAL			**503.29**	307.01

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

NOTE - 20: REVENUE FROM OPERATIONS

[Item No. 1(a), Page No. 92]

(₹ in Crore)

Particulars			March-13	March-12
Sale of Products		**419,826.60**		378,247.17
Less: Discounts		**4,917.88**		4,321.11
Sales (Net of Discounts)		**414,908.72**		373,926.06
Sale of Services		**10.33**		16.48
Other Operating Revenues (Note - 20.1)		**976.01**		1,683.56
			415,895.06	375,626.10
Net Claim/(Surrender) of SSC			**(304.78)**	-
Subsidy From Central/State Govt.	A		**1,782.24**	1,820.28
Grant from Government of India	B		**53,278.07**	45,485.84
TOTAL			**470,650.59**	422,932.22

A. Subsidies on sales of SKO (PDS) and LPG (Domestic) in India amounting to ₹ **1,729.72 crore** (2012: ₹ 1,770.98 crore) and subsidies on sales of SKO & LPG to customers in Bhutan amounting to ₹ **52.52 crore** (2012: ₹ 49.30 crore) have been reckoned as per the schemes notified by Government of India.

B1. The company has accounted for Budgetary Support of ₹ 53,278.07 crore towards under-recovery on sale of regulated products viz HSD, SKO (PDS) and LPG (Domestic) for the current year [2012: ₹ 45,485.84 crore] in the Statement of Profit and Loss as Revenue Grants.

B2. In line with the scheme formulated by Petroleum Planning and Analysis Cell (PPAC), the Company has received during the year, discounts of ₹ **29,461.74 crore** (2012: ₹ 26,239.43 crore) on Crude Oil/Products purchased from ONGC/GAIL/OIL and ₹ **2,505.10 crore** (2012: ₹ 3,379.80 crore) from CPCL, through sale of HSD to IOC, out of their purchase of crude oil from ONGC, towards part of the under recovery suffered on sale of regulated products viz. HSD, SKO (PDS) and LPG (Domestic) and the same has been adjusted against the purchase cost. In addition an amount of ₹ **NIL** (2012: ₹ 341.50 Crore) received from OIL has been accounted as other Operating Revenue.

Product wise sales has been shown as per Note - 40.

NOTE - 20.1: OTHER OPERATING REVENUES

(₹ in Crore)

Particulars	March-13	March-12
Sale of Power and Water	**44.44**	13.01
Unclaimed / Unspent liabilities written back	**58.45**	121.51
Provision for Doubtful Debts, Advances, Claims, and Stores written back	**51.50**	329.11
Provision for Contingencies written back	**15.73**	55.27
Recoveries from Employees	**16.98**	15.25
Retail Outlet Licence Fees	**107.05**	104.43
Income from Non Fuel Business	**120.18**	100.35
Commission and Discount Received	**11.22**	23.21
Sale of Scrap	**101.08**	110.21
Income from Finance Leases	**1.04**	1.19
Amortisation of Capital Grants	**1.46**	1.19
Revenue Grants	**0.24**	-
Terminalling Charges	**20.76**	36.34
Other Miscellaneous Income	**425.88**	772.49
TOTAL	**976.01**	1,683.56

NOTE - 21: OTHER INCOME

[Item No. 1(b), Page No. 92]

(₹ in Crore)

Particulars		March-13		March-12
Interest on :	A			
Loans and Advances		**69.38**		54.70
Fixed Deposits with Banks		**0.14**		0.12
Customers Outstandings		**355.76**		412.80
Oil Companies GOI SPL Bonds		**1,118.85**		1,171.94
Others		**169.34**		149.68
			1,713.47	1,789.24
Dividend:				
From Related Parties		**142.00**		159.68
From Other Companies		**857.47**		698.95
			999.47	858.63
Profit on Sale of Investments (Net)			**28.01**	-
Provision For Investment Written Back (Net)			**634.15**	-
Provision for Diminution in Trust Written Back (Net)			**110.15**	513.21
Other Non Operating Income	B		**29.54**	37.97
	TOTAL		**3,514.79**	3,199.05
A. Includes Tax Deducted at Source			**2.24**	0.68
B. Includes share of profit in Petroleum India International			**1.75**	1.03

NOTE - 22: COST OF MATERIAL CONSUMED

[Item No. 2(a), Page No. 92]

(₹ in Crore)

Particulars	March-13	March-12
Opening Balance	**26,535.92**	22,351.03
Add: Purchases	**216,576.48**	206,465.38
	243,112.40	228,816.41
Less: Closing Stock	**23,368.35**	26,535.92
TOTAL	**219,744.05**	202,280.49

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

NOTE - 23: CHANGE IN INVENTORY

[Item No. 2(c), Page No. 92]

(₹ in Crore)

Particulars		March-13	March-12
Closing Stock			
Finished Products	**20,094.20**		17,651.19
Stock in Process	**5,449.14**		5,302.52
Stock- in - trade	**7,420.68**		4,790.28
		32,964.02	27,743.99
Less:			
Opening Stock			
Finished Products	**17,651.19**		15,969.78
Stock in Process	**5,302.52**		4,012.42
Stock - in - Trade	**4,790.28**		4,909.66
		27,743.99	24,891.86
NET INCREASE/(DECREASE)		**5,220.03**	2,852.13

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

NOTE - 24: EMPLOYEE BENEFIT EXPENSES

[Item No. 2(d), Page No. 92]

(₹ in Crore)

Particulars		March-13	March-12
Salaries, Wages, Bonus etc.	A	**4,336.41**	3,564.37
Contribution to Provident & Other Funds		**1,849.07**	783.38
Voluntary Retirement Compensation		**81.39**	2.64
Staff Welfare Expenses		**1,004.40**	626.57
TOTAL		**7,271.27**	4,976.96

A. Includes ₹ **621.20** crore towards corpus fund created for Post Retirement Medical Benefits and other emergency needs in respect of employees retired prior to 01.01.2007 as per DPE guidelines.

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

NOTE - 25: FINANCE COST

[Item No. 2(e), Page No. 92]

(₹ in Crore)

Particulars		March-13	March-12
Interest Payments on:			
Fixed period loans from Banks/Financial Institutions/Others	**330.85**		528.61
Bonds	**391.34**		482.99
Short Term loans from Banks	**1,884.46**		1,928.52
Others	**2,743.07**		1,775.54
		5,349.72	4,715.66
Other Borrowing Cost		**56.43**	29.92
Applicable Net (Gain)/Loss on Foreign Currency Transactions and Translation		**1,003.00**	844.96
TOTAL		**6,409.15**	5,590.54

NOTE - 26: OTHER EXPENSES

[Item No. 2(g), Page No. 92]

(₹ in Crore)

Particulars			March-13	March-12
Consumption:				
a) Stores, Spares and Consumables		**1,052.63**		897.31
b) Packages & Drum Sheets		**439.38**		380.70
			1,492.01	1,278.01
Power & Fuel		**20,981.70**		18,843.53
Less : Fuel from own production		**15,654.77**		15,041.79
			5,326.93	3,801.74
Throughput, Processing & Blending Fees, Royalty and Other Charges			**478.65**	490.19
Octroi, Other Levies and Irrecoverable taxes			**825.28**	796.12
Repairs and Maintenance				
i) Plant & Machinery		**1,744.98**		1,465.94
ii) Buildings		**164.48**		148.01
iii) Others		**113.91**		101.20
			2,023.37	1,715.15
Freight, Transportation Charges and Demurrage			**8,622.85**	7,437.16
Office Administration, Selling and Other Expenses (Note - 26.1)			**5,396.76**	6,814.35
TOTAL			**24,165.85**	22,332.72
Less: Company's use of own Products and Crude			**850.59**	872.61
			23,315.26	21,460.11
Duties (Net)	A		**66.81**	(624.92)
TOTAL (Net)			**23,382.07**	20,835.19

A. Includes an amount of ₹ **130.75 crore** (2012 : ₹ (644.48) Crore) on account of difference of Excise Duty between opening and closing stock of finished goods.

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

(₹ in Crore)

Particulars		March-13	March-12
Rent		**327.52**	348.28
Insurance		**103.93**	93.31
Rates & Taxes		**104.00**	70.60
Payment to auditors			
a) Audit Fees	**1.12**		1.14
b) Tax Audit Fees	**0.11**		0.11
c) Other Services(for issuing certificates etc.)	**0.35**		0.27
d) Out of Pocket Expenses	**0.67**		0.39
		2.25	1.91
Travelling & Conveyance		**447.38**	350.31
Communication Expenses		**54.83**	48.02
Printing & Stationery		**31.44**	30.57
Electricity & Water		**232.91**	199.24
Bank Charges		**46.57**	52.26
Bad Debts, Advances & Claims written off		**3.45**	48.40
Provision/ Loss on Assets sold or written off (Net)		**21.44**	4.41
Technical Assistance Fees		**18.86**	21.76
Exchange Fluctuation (net)		**1,509.10**	2,768.92
Provision for Doubtful Debts, Advances, Claims, CWIP, Stores etc.		**67.56**	57.40
Provision for Dimunition/Loss on Revaluation in Investments		**-**	418.15
Security Force Expenses		**283.81**	254.88
Sales Promotion Expenses (Incl. Commission)		**616.31**	489.31
Handling Expenses		**259.47**	214.38
Expenses on Enabling Facilities		**60.81**	24.00
Commodity Hedging Losses (Net)		**0.34**	328.13
Provision for Probable Contingencies		**429.46**	93.05
Exploration & Production Cost		**211.21**	180.23
Amortisation of Premium on Forward Contracts		**15.49**	89.02
MTM Loss on Interest Rate Swap		**10.81**	110.26
Loss on Sale of Investments (Net)		**-**	19.24
Expenses on CSR Activities		**78.97**	75.24
Miscellaneous Expenses		**458.84**	423.07
TOTAL		**5,396.76**	6,814.35

A. In respect of Oil and Gas Exploration activities, Revenue Expenditure amounting to ₹ **211.21 crore** (2012 : ₹ 180.23 crore) and Capital Expenditure amounting to ₹ **121.29 crore** (2012 : ₹ (51.41) crore) of Oil and Gas Exploration Projects have been incorporated in these accounts on the basis of unaudited statements provided by respective operators of Production Sharing Contracts to the Company.

B. Expenses Includes:
i) Expenditure on Public Relations and Publicity amounting to ₹ **52.69 crore** (2012: ₹ 34.81 crore) which is inclusive of ₹ **14.98 crore** (2012: ₹ 11.94 crore) on account of Staff and Establishment and ₹ **37.71 crore** (2012: ₹ 22.87 crore) for payment to others. The ratio of annual expenditure on Public Relations and Publicity to the annual turnover (inclusive of excise duty) is **0.00013:1** (2012: 0.00009:1)

ii) Entertainment Expenses ₹ **2.96 crore** (2012: ₹ 2.46 crore).

NOTE - 27: INCOME / EXPENSES RELATING TO PREVIOUS YEARS

[Item No. 4, Page No. 92]

(₹ in Crore)

Particulars	March-13	March-12
Income:		
Miscellaneous Income	**(42.92)**	40.91
Total Income	**(42.92)**	40.91
Expenditure:		
Purchase of Products and Crude	**(40.76)**	0.16
Depreciation and Amortisation on:		
Tangible Assets	**11.67**	(326.05)
Intangible Assets	**7.14**	0.66
Consumption of Stores, Spares and Consumables	**(27.04)**	(1.27)
Technical fees	**0.08**	1.30
Power and Fuel	**(7.34)**	(1.22)
Repairs and Maintenance	**2.72**	7.93
Interest	**(0.36)**	5.57
Rent	**-**	0.08
Rates & Taxes	**0.20**	1.45
Employee Benefit Expenses	**0.45**	7.17
Other Expenses	**4.02**	66.34
Total Expediture	**(49.22)**	(237.88)
NET INCOME /(EXPENDITURE)	**6.30**	278.79

NOTE - 28

1. Contingent Liabilities & Commitments

A. Contingent Liabilities

A.1 Contingent Liabilities amounting to ₹ **11,619.68 crore** (2012: ₹ 9518.99 crore) are as under :

A.1.1 ₹ **225.70 crore** (2012: ₹ 265.46 crore) being the demands raised by the Central Excise /Customs authorities including interest of ₹ **43.82 crore** (2012 : ₹ 52.20 crore) .

A.1.2 ₹ **1,294.80 crore** (2012: ₹ 1,244.75 crore) in respect of demands for Entry Tax from State Governments including interest of ₹ **44.94 crore** (2012 : ₹ 63.69 crore) .

A.1.3 ₹ **4,631.93 crore** (2012: ₹ 4,514.24 crore) in respect of VAT/Sales Tax demands including interest of ₹ **1,610.50 crore** (2012 : ₹ 1,644.13 crore).

A.1.4 ₹ **2,962.25 crore** (2012: ₹ 2,058.09 crore) in respect of Income Tax demands including interest of ₹ **268.22 crore** (2012 : ₹ 302.24 crore).

A.1.5 ₹ **1,917.26 crore** (2012: ₹ 890.51 crore) including ₹ **1,600.49 crore** (2012: ₹ 597.53 crore) on account of Projects for which suits have been filed in the Courts or cases are lying with Arbitrator. This includes interest of ₹ **37.81 crore** (2012: ₹ 29.68 crore).

A.1.6 ₹ **587.74 crore** (2012: ₹ 545.94 crore) in respect of other claims including interest of ₹ **98.73 crore** (2012 : ₹ 70.91 crore).

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

A.2 Pending decision of the Government, no liability could be determined and provided for in respect of additional compensation, if any, payable to the land owners and the Government for certain lands acquired.

A.3 The Company has issued Corporate Guarantee in favor of three beneficiaries i.e. Bolivarian Republic of Venezuela (Republic), The Corporacion Venezolana del Petroleo S. A. and the Mixed Company Venezuela (PeTroCarabobo S.A.), on behalf of Indoil Netherlands B.V. Netherlands (an associate company) to fulfill the associate company's future obligations for payment of signature bonus/ equity contribution/ loan to the beneficiaries. The estimated amount of such obligation is ₹ **2,054.23 crore** – **USD 378.38 million** (2012 : ₹ 1,969.71 crore – USD 387.13 million).

A.4 The company has issued Corporate Guarantee on behalf of 'Indian Synthetic Rubber Limited, ISRL (Joint venture company) to the extent of obligations of later company under loans (principal and interest both) made to ISRL by 'Japan Bank for International Cooperation (JBIC)' and 'Mizuho Corporate Bank (MHCB)'. The estimated amount of such obligation is ₹ **302.57 crore - USD 55.73 million** (2012: NIL).

B. Commitments

B.1 Capital Commitments

Estimated amount of contracts remaining to be executed on Capital Account not provided for ₹ **14,648.43 crore** (2012: ₹ 17,990.86 crore).

B.2 Other Commitments

The Company has an export obligation to the extent of ₹ **3,090.25 crore** (2012: ₹ 3,187.06 crore) on account of concessional rate of customs duty availed under EPCG license scheme on import of capital goods.

NOTE – 29: EMPLOYEE BENEFITS

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

(A) PROVIDENT FUND

(i) The Company has three Provident Funds maintained by respective PF Trusts. All these three PF Trusts do not have any shortfall as on 31.03.2013.

(ii) During the year, Company has conducted Actuarial Valuation of all three PF Trusts. As per Actuarial Valuation, all three PF Trusts do not have any deficit as on 31st March 2013. Accordingly, other related disclosures in respect of Provident Fund have not been made.

(iii) During the year, the company has recognised ₹ **287.59 crore** (2011-12 : ₹ 261.08 crore) as Employer's contribution to Provident Fund in the Statment of Profit and Loss (included in Contribution to Provident and Other Funds in Note - 24).

(B) PENSION SCHEME

During the year, the company has recognised ₹ **229.04 crore** (2011-12 : ₹ 342.01 crore) towards Defined Contributory Employees Pension Scheme in the Statment of Profit and Loss (included in Contribution to Provident and Other Funds in Note - 24).

(C) RECONCILIATION OF BALANCE OF DEFINED BENEFIT OBLIGATION

(₹ in Crore)

	Gratuity Funded	Leave Encashment Non-Funded	PRMS Funded	Resettlement Allowance Non-Funded	Long Service Award Non-Funded	Staff Pension Fund at AOD Funded
Defined Obligation at the beginning	**1,384.32** 1,388.21	**1,631.15** 1,579.50	**882.94** 829.99	**79.36** 83.00	**214.28** 109.33	**7.97** 9.28
Current Service Cost	**12.58** 16.56	**114.10** 52.22	**61.85** 52.90	**7.55** 3.45	**33.82** 19.73	**0.21** 0.24
Interest Cost	**119.47** 112.32	**139.73** 126.80	**76.20** 70.00	**7.33** 7.06	**19.92** 10.01	**0.64** 0.68
Past Service Cost	**-** -	**-** -	**708.90** -	**-** -	**-** -	**-** -
Benefits paid	**(128.15)** (103.09)	**(252.36)** (208.11)	**(100.15)** (70.39)	**(3.97)** (2.66)	**(34.52)** (17.00)	**(1.17)** (2.07)
Actuarial (gain)/ loss on obligations	**56.50** (29.68)	**384.57** 80.74	**55.98** 0.44	**(7.44)** (11.49)	**1.09** 92.21	**(0.04)** (0.16)
Defined Benefit Obligation at the end of the year	**1,444.72** 1,384.32	**2,017.19** 1,631.15	**1,685.72** 882.94	**82.83** 79.36	**234.59** 214.28	**7.61** 7.97

Contd...

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

(₹ in Crore)

	Gratuity Funded	Leave Encashment Non-Funded	PRMS Funded	Resettlement Allowance Non-Funded	Long Service Award Non-Funded	Staff Pension Fund at AOD Funded
Fair Value of Plan Assets at the beginning of the year	**1,631.02** 1,489.80	**-** -	**882.94** -	**-** -	**-** -	**7.74** 8.17
Expected return on plan assets	**140.27** 123.31	**-** -	**75.93** -	**-** -	**-** -	**0.64** 0.68
Contribution by employer	**128.15** 103.09	**-** -	**71.05** 901.37	**-** -	**-** -	**-** 0.76
Benefit paid	**(128.15)** **(103.09)**	**-** -	**(100.15)** (70.39)	**-** -	**-** -	**(1.17)** (2.07)
Actuarial gain / (losses)	**14.91** 17.91	**-** -	**13.45** 51.96	**-** -	**-** -	**(0.07)** 0.20
Fair value of plan assets at the end of the year	**1,786.20** 1,631.02	**-** -	**943.22** 882.94	**-** -	**-** -	**7.14** 7.74

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

(₹ in Crore)

	Gratuity Funded	Leave Encashment Non-Funded	PRMS Funded	Resettlement Allowance Non-Funded	Long Service Award Non-Funded	Staff Pension Fund at AOD Funded
Fair Value of Plan Assets at the end of the year	**1,786.20** 1,631.02	**-** -	**943.22** 882.94	**-** -	**-** -	**7.14** 7.74
Defined Benefit Obligation at the end of the year	**1,444.72** 1,384.32	**2,017.19** 1,631.15	**1,685.72** 882.94	**82.83** 79.36	**234.59** 214.28	**7.61** 7.97
Amount recognised in the Balance Sheet	**(341.48)** (246.70)	**2,017.19** 1,631.15	**742.50** -	**82.83** 79.36	**234.59** 214.28	**0.47** 0.23

Contd...

(F) AMOUNT RECOGNISED IN CWIP / STATEMENT OF PROFIT AND LOSS

(₹ in Crore)

	Gratuity Funded	Leave Encashment Non-Funded	PRMS Funded	Resettlement Allowance Non-Funded	Long Service Award Non-Funded	Staff Pension Fund at AOD Funded
Current Service Cost	**12.58** 16.56	**114.10** 52.22	**61.85** 52.90	**7.55** 3.45	**33.82** 19.73	**0.21** 0.24
Interest Cost	**119.47** 112.32	**139.73** 126.80	**76.20** 70.00	**7.33** 7.06	**19.92** 10.01	**0.64** 0.68
Expected (return) / loss on plan asset	**(140.27)** (123.31)	**-** -	**(75.93)** -	**-** -	**-** -	**(0.64)** (0.68)
Past Service Cost	**-** -	**-** -	**708.90** -	**-** -	**-** -	**-** -
Actuarial (gain)/ loss	**41.59** (47.59)	**384.57** 80.74	**42.53** (51.52)	**(7.44)** (11.49)	**1.09** 92.21	**0.03** (0.36)
Expenses for the year	**33.37** (42.02)	**638.40** 259.76	**813.55** 71.38	**7.44** (0.98)	**54.83** 121.95	**0.24** (0.12)

(G) MAJOR ACTUARIAL ASSUMPTIONS

	Gratuity Funded	Leave Encashment Non-Funded	PRMS* Funded	Resettlement Allowance Non-Funded	Long Service Award Non-Funded	Staff Pension Fund at AOD Funded
Discount rate	**8.25%** 8.63%	**8.25%** 8.63%	**8.25%** 8.63%	**8.25%** 8.63%	**8.25%** 8.63%	**8.25%** 8.63%
Expected return on plan assets	**8.70%** 8.60%	**-** -	**8.70%** 8.60%	**-** -	**-** -	**9.00%** 9.00%
Salary escalation	**8.00%** 8.00%	**8.00%** 8.00%	**-** -	**-** -	**-** -	**8.00%** 8.00%
Inflation	**-** -	**-** -	**7.00%** 7.00%	**6.00%** 6.00%	**-** -	**-** -

*The liability as on 31.03.2013 on account of PRMS has been arrived considering mortality as per IALM (2006-08) Ultimate table (2012: LIC-1994-96 Ultimate Table).

(H) ACTUAL RETURN ON PLAN ASSETS

	Gratuity Funded	PRMS Funded	Staff Pension Fund at AOD Funded
Actual Return on Plan Assets	**9.51%** 9.48%	**10.12%** -	**7.36%** 10.77%

Contd...

(I) INVESTMENT DETAILS

	Gratuity Funded	PRMS Funded	Staff Pension Fund at AOD Funded
Life Insurance Corporation of India	96.47%	1.24%	53.73%
Self managed investments	3.53%	98.76%	46.27%
Total	**100.00%**	**100.00%**	**100.00%**

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

	Gratuity Funded	PRMS Funded	Staff Pension Fund at AOD Funded
Government of India securities	42.52%	0.52%	27.00%
Investment in Equity Shares	4.52%	0.06%	-
Investment in Debentures	36.67%	0.47%	-
Other approved investments (incl. Cash)	16.29%	98.95%	73.00%
Total	**100.00%**	**100.00%**	**100.00%**

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

(₹ in Crore)

	2012-13	2011-12
Change in Liability for 1% increase in inflation rate	**91.63**	92.27
Change in Liability for 1% decrease in inflation rate	**(78.79)**	(75.49)

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

(₹ in Crore)

	2012-13	2011-12	2010-11
Defined benefit obligation	**1,444.72**	1,384.32	1,388.21
Plan Assets	**1,786.20**	1,631.02	1,489.80
Surplus / (Deficit)	**341.48**	246.70	101.59
Expected contribution for next financial year	**-**	23.75	22.52
Experience adjustment on plan liabilities - (Gain)/Loss	**21.63**	(2.25)	23.22
Experience adjustment on plan Assets - Gain/(Loss)	**14.91**	17.91	18.09

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

NOTE - 30: SEGMENT INFORMATION

Information regarding Primary Segment Reporting as per AS-17 for the year ended March 31, 2013 is as under:

(₹ in Crore)

	March-13					March-12				
	Petroleum Products	Petro-chemicals	Other Businesses	Eliminations	Total	Petroleum Products	Petro-chemicals	Other Businesses	Eliminations	Total
Revenue										
External Revenue	424,942.62	15,596.49	6,557.30	-	447,096.41	382,967.35	11,174.09	4,335.19	-	398,476.63
Inter-segment Revenue	10,114.16	39.55	5,092.29	(15,246.00)	-	7,506.24	48.72	3,617.94	(11,172.90)	-
Total Revenue	**435,056.78**	**15,636.04**	**11,649.59**	**(15,246.00)**	**447,096.41**	**390,473.59**	**11,222.81**	**7,953.13**	**(11,172.90)**	**398,476.63**
Result										
Segment Results	9,553.50	530.10	(17.20)	-	10,066.40	16,917.68	(209.94)	77.81	-	16,785.55
Less:										
- Finance Cost					6,409.15					5,590.54
- Loss on Sale of Investments (Net)					-					19.24
- Provision for diminution in Investments (Net)					-					418.15
- Loss on sale and disposal of Assets					21.44					4.41
- Exchange Loss/(Gain)-(Net)					1,509.10					2,768.92
Add:										
- Interest/Dividend Income					2,712.94					2,647.87
- Profit on Sale of Investments (Net)					28.01					-
- Provision for diminution in Investments written back (Net)					634.15					-
- Provision for diminution in Trust written back (Net)					110.15					513.21
- Other non operating income					29.54					37.97
- Prior year income/(expenses)-net					6.30					278.79
Profit before Exceptional items and Tax					**5,647.80**					**11,462.13**
Exceptional Items					-					(7,707.82)
Profit Before Tax					**5,647.80**					**3,754.31**
Less: Income Tax (including deferred tax)					642.63					(200.31)
Profit After Tax					**5,005.17**					**3,954.62**
Other Information										
Segment Assets	184,249.52	17,815.48	1,333.59		203,398.59	170,975.07	18,068.88	953.59		189,997.54
Corporate Assets					20,596.68					19,862.21
Total Assets					**223,995.27**					**209,859.75**
Segment Liabilities	73,150.75	369.59	1,182.31		74,702.65	68,426.53	795.35	663.59		69,885.47
Corporate Liabilities					88,168.31					82,097.58
Total Liabilities					**162,870.96**					**151,983.05**
Capital Employed										
Segment Wise	111,098.77	17,445.89	151.28		128,695.94	102,548.54	17,273.53	290.00		120,112.07
Corporate					(67,571.63)					(62,235.37)
					61,124.31					**57,876.70**
Capital Expenditure	12,949.97	239.07	275.67	-	13,464.71	14,039.22	185.20	251.34	-	14,475.76
Depreciation and Amortisation	4,168.23	996.07	36.69	-	5,200.99	3,864.83	952.54	50.42	-	4,867.79

1. The Company is engaged in the following business segments:
   a) Sale of Petroleum Products
   b) Sale of Petrochemicals
   c) Other Businesses, which comprises Sale of Gas, Explosives & Cryogenics, Wind Mill & Solar Power Generation and Oil & Gas Exploration Activities.

   Segments have been identified and reported taking into account, the nature of products and services and differing risks and returns.
2. Segment Revenue comprises of the following:
   a) Turnover (Net of Excise Duties)
   b) Net Claim/(Surrender) of SSC
   c) Subsidy/Grants received from Government of India
   d) Other Operating Income
3. There are no reportable geographical segments.

NOTE - 31: RELATED PARTY DISCLOSURES

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

1. RELATIONSHIP

A) Details of Joint Venture Entities/Associates

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

B) Whole-time Directors

1) Shri R.S.Butola
2) Dr. R.K.Malhotra
3) Shri Sudhir Bhalla
4) Shri A.M.K.Sinha
5) Shri P.K.Goyal
6) Shri R.K.Ghosh
7) Shri Makarand Nene
8) Shri V.S. Okhde

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

A) Details relating to parties referred to in item number 1(A) above:

(₹ in Crore)

		2012-13	2011-12
i)	**Sales**	**665.00**	256.06
	[Mainly includes sales to Indian Oil Petronas Pvt. Ltd. ₹ **513.77 crore** (2011-12 : ₹ 85.70 crore) and Lubrizol India Pvt. Ltd ₹ **149.19 crore** (2011-12 : ₹ 169.57 crore)]		
ii)	**Interest received**	**0.08**	0.05
	[Mainly includes interest received from IOT Infrastructure & Energy Services Ltd ₹ **0.05 crore** (2011-12 : ₹ 0.02 crore) and Petronet VK Ltd. ₹ **0.03 crore** (2011-12: ₹ 0.03 crore)]		
iii)	**Consultancy Services/Other Income**	**136.67**	75.79
	[Mainly includes Consultancy Service/Other Income from Lubrizol India Pvt. Ltd. ₹ **72.00 crore** (2011-12 : ₹ 34.56 crore), Petronet LNG Ltd. ₹ **27.12 crore** (2011-12 : ₹ 23.21 crore) and Delhi Aviation Fuel Facility Pvt. Ltd. ₹ **15.18 crore** (2011-12: ₹ Nil)]		
iv)	**Purchase of Products**	**11,027.08**	7,364.67
	[Mainly includes Purchase of Products from Petronet LNG Ltd. ₹ **10971.44 crore** (2011-12 : ₹ 7318.35 crores)]		
v)	**Purchase of Chemicals/materials**	**291.46**	280.73
	[Mainly includes Purchase of chemicals /materials from Lubrizol India Pvt. Ltd ₹ **291.46 crore** (2011-12 : ₹ 280.60 crore)].		

Contd...

(₹ in Crore)

		2012-13	2011-12
vi)	**Handling Expenses**	**443.37**	316.10
	[Mainly includes Handling Expenses to Indian Oil Petronas Pvt Ltd ₹ **249.86 crores** (2011-12 : ₹ 94.02 crores) and IndianOil Sky Tanking Ltd ₹ **178.07 crore** (2011-12 : ₹ 208.79 crore)]		
vii)	**Freight Expenses**	**0.37**	0.33
	[Mainly includes Freight Expenses to Lubrizol India Pvt Ltd ₹ **0.37 crores** (2011-12 : ₹ 0.31 crores)]		
viii)	**Exploration & Production Expenses**	**8.20**	10.09
	[Exploration & Production Expenses to IOT Infrastructure & Energy Services Ltd. ₹ **8.20 crores** (2011-12 : ₹ 10.09 crores)]		
ix)	**Reimbursement of Expenses**	**4.85**	5.25
	[Mainly includes Reimbursement of Expenses Indian Oil Petronas Pvt. Ltd. ₹ **2.67 crore** (2011-12 : ₹ 2.27 crore) and IndianOil Sky Tanking Ltd ₹ **1.36 crores** (2011-12 : ₹ 1.80 crores)]		
x)	**Investments made during the year**	**60.83**	116.93
	[Mainly includes Investment made in Indian Synthetic Rubber Ltd. ₹ **35.15 crore** (2011-12 : ₹ 115.62 crore), GSPL India Gasnet Ltd. ₹ **15.03 crore** (2011-12: ₹ NIL) and GSPL India Transco Ltd. ₹ **10.03 crore** (2011-12: ₹ NIL)]		
xi)	**Purchase/Acquisition of Fixed Assets including CWIP**	**86.74**	256.88
	(Includes Purchase/Acqusition of Fixed Assets including CWIP from IOT Infrastructure & Energy Services Ltd. ₹ **86.74 crore** (2011-12 : ₹ 256.88 crore)).		
xii)	**Provisions made/(written off) during the year**	**0.03**	(40.38)
	[Mainly includes provision made against advance given to Petronet VK Ltd. ₹ **0.03 crore** (2011-12: ₹ 0.15 crore)]		
xiii)	**Outstanding Receivables/ Loans Recoverable**	**244.11**	278.05
	[Mainly includes Outstanding Receivables from IOT Infrastructure & Energy Services Ltd ₹ **83.94 crore** (2011-12 : ₹ 169.12 crore), Suntera Nigeria 205 Ltd ₹ **75.58 crores** (2011-12 : ₹ 68.11 Crore) and IndianOil Petronas Pvt. Ltd ₹ **58.42 crore** (2011-12: ₹ 20.92 crore)]		
xiv)	**Outstanding Payables**	**803.11**	637.17
	[Mainly includes Outstanding payable to Petronet LNG. Ltd. ₹ **684.07 crore** (2011-12 : 429.99 crore)]		
xv)	**Investments in Joint Venture Entities/ Associates as on 31.03.2013**	**833.39**	770.81

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

(₹ in Crore)

FY 2012-13

	Details of Whole-time Directors	Remuneration	Interest & Furniture Hire Charges	Outstanding loans/advances receivables
1)	Shri R.S.Butola	0.54	-	-
2)	Dr. R.K.Malhotra	0.54	-	-
3)	Shri Sudhir Bhalla	1.37	-	0.05
4)	Shri A.M.K.Sinha	0.46	-	-
5)	Shri P.K.Goyal	0.46	-	0.02
6)	Shri R.K.Ghosh	0.41	-	0.06
7)	Shri Makarand Nene	0.44	-	-
8)	Shri V.S. Okhade	0.34	-	-
TOTAL		**4.56**	**-**	**0.13**

FY 2011-12

	Details of Whole-time Directors	Remuneration	Interest & Furniture Hire Charges	Outstanding loans/advances receivables
1)	Shri R.S. Butola	0.37	-	-
2)	Shri S.V. Narasimhan (upto 30.04.2011)	0.57	-	-
3)	Shri B.N. Bankapur (upto 31.08.2011)	0.54	-	-
4)	Shri G.C. Daga (upto 30.09.2011)	0.63	-	0.01
5)	Shri K.K. Jha (upto 31.01.2012)	0.41	0.01	-
6)	Dr. R.K. Malhotra	0.37	-	-
7)	Shri Sudhir Bhalla	0.40	-	0.05
8)	Shri A.M.K. Sinha	0.31	-	-
9)	Shri P.K. Goyal	0.42	-	0.03
10)	Shri R.K. Ghosh	0.29	-	0.08
11)	Shri Makarand Nene	0.20	-	-
12)	Shri V.S. Okhade	0.06	-	0.01
TOTAL		**4.57**	**0.01**	**0.18**

Notes:

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

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 ₹ 520/- per mensem for car less than 16 hp or ₹ 780/- per mensem for car of above 16 hp as specified in the terms of appointment.

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 period, transactions w.e.f. date of constitution/acquisition is disclosed.

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

NOTE - 32: LEASES

Disclosure as required under Accounting Standard – 19 on "Leases":

FINANCE LEASES:

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

(₹ in Crore)

	Particulars	March-13	March-12
A.	Gross Investments in Finance Lease	**415.64**	415.64
	Less: Unearned Finance Income	**3.01**	4.05
	Less: Finance Income Received	**168.14**	167.10
	Less: Minimum Lease payment received	**235.61**	234.20
	Net Investment in Finance Lease as on Date	**8.88**	10.29
B.	Unearned finance Income	**3.01**	4.05
C.	Present Value of Minimum Lease Payments Receivable		
	Not Later than one year	**1.54**	1.41
	Later than one year and not later than five years	**6.71**	7.13
	Later than Five years	**0.63**	1.75
	Total	**8.88**	10.29
D.	Break-up of un-earned income		
	Not Later than one year	**0.90**	1.04
	Later than one year and not later than five years	**2.02**	2.75
	Later than Five years	**0.09**	0.26
	Total	**3.01**	4.05

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:

(₹ in Crore)

	Particulars	March-13	March-12
A.	Lease rentals recognized during the period	**76.10**	49.93
B.	Lease Obligations		
	- Not later than One Year	**65.40**	47.00
	- Later than one year and not later than five years	**227.70**	158.05
	- Later than five years	**660.87**	545.88

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

b) As Lessors

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

(₹ in Crore)

	Particulars	March-13	March-12
A.	Lease rentals recognized as income during the period	**8.77**	9.25
B.	Lease Rentals (Category of assets – Plant & Equipment)		
	- Gross Carrying Amount	**24.76**	24.54
	- Accumulated Depreciation	**20.83**	19.40
	- Depreciation recognized in Profit and Loss Account	**0.93**	0.98

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

NOTE - 33: EARNINGS PER SHARE (EPS)

[Item No. 10, Page No. 93]

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

Particulars	March-13	March-12
Profit (₹ in Crore)	**5,005.17**	3,954.62
Weighted Average number of equity shares used for computing Earning Per Share (Basic & Diluted)	**2427952482**	2427952482
Earning Per Share (Basic and Diluted) (₹)	**20.61**	16.29
Face value per share (₹)	**10/-**	10/-

NOTE - 34: INTEREST IN JOINT VENTURES

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

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

(a) **Jointly Controlled Operations:-**

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

Name	Participating Interest of IOC (%) 31.03.2013	31.03.2012
IN INDIA		
Under NELP Block		
MN-OSN-2000/2	**20.00**	20.00
AA-ONN-2001/2	**20.00**	20.00
MB-OSN-2004/1	**20.00**	20.00
MB-OSN-2004/2	**20.00**	20.00
KG-DWN-2005/1	**20.00**	20.00
GK-OSN-2009/1	**20.00**	20.00
GK-OSN-2009/2	**30.00**	30.00
CB-ONN-2010/6	**20.00**	20.00
Others		
AAP-ON-94/1	**43.55**	43.55
BK-CBM-2001/1	**20.00**	20.00
NK-CBM-2001/1	**20.00**	20.00
OUTSIDE INDIA		
FARSI BLOCK IRAN	**40.00**	40.00
LIBYA BLOCK 86	**50.00**	50.00
LIBYA BLOCK 102/4	**50.00**	50.00
SHAKTHI GABON*	**50.00**	50.00
YEMEN 82	**15.00**	15.00
YEMEN 83	**15.00**	15.00
AREA 95-96	**25.00**	25.00

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

(b) **Jointly Controlled Assets:-**
IOC's share in jointly controlled/ owned assets have been shown in Note 10 **"Tangible Assets"**

(c) **Jointly Controlled Entities:-**

Contd...

Name		Country of Incorporation	Ownership Interest of IOC(%) 31.03.2013	31.03.2012
(i)	IOT Infrastructure & Energy Services Ltd.	India	**47.91**	47.92
(ii)	Lubrizol India Pvt. Ltd.	India	**50.00**	50.00
(iii)	Petronet VK Ltd.	India	**26.00**	26.00
(iv)	Petronet CI Ltd.	India	**26.00**	26.00
(v)	IndianOil SkyTanking Ltd.	India	**33.33**	33.33
(vi)	Indo Cat Pvt. Ltd.	India	**50.00**	50.00
(vii)	Delhi Aviation Fuel Facility Pvt. Ltd.	India	**37.00**	37.00
(viii)	IndianOil Petronas Pvt.Ltd.	India	**50.00**	50.00
(ix)	Suntera Nigeria 205 Ltd	Nigeria	**25.00**	25.00
(x)	IndianOil Panipat Power Consortium Ltd.	India	**50.00**	50.00
(xi)	Avi-Oil India Pvt. Ltd.	India	**25.00**	25.00
(xii)	Petronet India Ltd.	India	**18.00**	18.00
(xiii)	Petronet LNG Ltd.	India	**12.50**	12.50
(xiv)	Indian Synthetic Rubber Limited	India	**50.00**	50.00
(xv)	IndianOil Ruchi Biofuels LLP	India	**50.00**	50.00
(xvi)	Green Gas Ltd.	India	**22.50**	22.50
(xvii)	NPCIL IndianOil Nuclear Energy Corporation Limited	India	**26.00**	26.00
(xviii)	GSPL India Transco Ltd.*	India	**20.65**	-
(xix)	GSPL India Ganset Ltd.*	India	**22.16**	-

* Ownership interest has been computed on the basis of actual cash contribution in equity as on 31.03.2013. However, share of IOCL is 26% as per JV agreement.

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

(₹ in Crore)

		31.03.2013	31.03.2012
(a)	Jointly Controlled Operations		
	(i) Contingent Liabilities	**19.22**	0.20
	(ii) Capital Commitments	**1,007.68**	1,214.86
(b)	Jointly Controlled Assets		
	(i) Contingent Liabilities	-	-
	(ii) Capital Commitments	-	-

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

(₹ in Crore)

		31.03.2013	31.03.2012
(i)	Assets		
	- Long Term Assets	**3746.38**	1938.55
	- Current Assets	**2347.67**	1306.98
(ii)	Liabilities		
	- Current Liabilities and Provisions	**1891.86**	938.95
	- Other Liabilities	**2346.30**	802.74
(iii)	Income	**6636.48**	4602.13
(iv)	Expenses	**6183.98**	4152.87
(v)	Contingent Liabilities	**193.25**	89.47
(vi)	Capital Commitments	**386.97**	497.75

NOTE - 35: 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, interest rate and commodity 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 2013 are as below:**

   (a) For Hedging Currency Risks

   Nominal amounts of derivative contracts entered into by the Company and outstanding as on 31st March 2013 is given below:

(₹ in Crore)

S. No.	Particulars	Unit of Currency	As on 31.03.2013		As on 31.03.2012	
			No of contracts	Aggregate amount	No of contracts	Aggregate amount
1.	Forward Contracts	USD	4	217.26	1	101.86

   (b) For Hedging Commodity Related Risks:

   Category–wise quantitative data about commodity derivative transactions that are outstanding as on 31st March 2013 is given below:

Quantity (in '000 bbls)

S. No.	Particulars	As at 31st March 2013	As at 31st March 2012
1.	Swaps on Crude oil	50	500
2.	Margin Hedging	200	250

   (c) For Hedging Interest Rate Related Risks:

   Interest rate swap for ₹ **2714.50 crore** (2012: ₹ 2544.00 crore) - (USD 500 million) syndicated loan (swap from 1/3/6 month USD LIBOR till maturity to 2.222% Fixed)

S. No.	Particulars	Number of Contracts	
		As at 31st March 2013	As at 31st March 2012
1	Swaps of Interest Rates	1	1

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

3. **Foreign currency exposure that are not hedged by a derivative instrument as on 31st March 2013 is given below:**

(₹ in Crore)

S. No.	Particulars	As on 31.03.2013 Aggregate amount	As on 31.03.2012 Aggregate amount
1	Unhedged*	64,414.35	51,859.14

including cross currecny swaps amounting to ₹ **1768 crore (2012: ₹ NIL)*

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

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

(₹ in Crore)

			Amount as on		Maximum Amount outstanding during the year ended	
			31.03.2013	31.03.2012	**31.03.2013**	31.03.2012
I.	**Loans and Advances in the nature of loans:**					
	A)	To Subsidiary Companies	-	-	-	-
	B)	To Associates /Joint Venture				
		Petronet V. K. Ltd.	**0.50**	0.50	**0.50**	0.50
		(No repayment schedule available)				
		Suntera Nigeria 205 Ltd.	**75.58**	68.11	**75.58**	68.11
	C)	To Firms/Companies in which directors are interested	-	-	-	-
	D)	Where there is no repayment schedule or repayment beyond seven year or no interest or interest below section 372A of Companies Act	-	-	-	-
II.		**Investment by the loanee (as detailed above) in the shares of IOC and its subsidiaries**	-	-	-	-

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

The dues to Micro, Small and Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the company is given below:

(₹ in Crore)

Particulars	**March-13**	March-12
Amount due and Payable at the year end		
- Principal	**26.98**	42.84
- Interest on above Principal	**0.07**	0.08
Payments made during the year after the due date		
- Principal	**6.21**	1.33
- Interest	**0.01**	-
Interest due and payable for principals already paid	**0.03**	0.01
Total Interest accrued and remained unpaid at year end	**0.10**	0.09

NOTE - 38: RESEARCH AND DEVELOPMENT EXPENDITURE

Research and Development Expenses of ₹ **81.40 crore** (2012: ₹ 56.11 crore) have been capitalized and ₹ **167.66 crore** (2012 : ₹ 125.51 crore) have been accounted for in the Statement of Profit and Loss during the year. Detailed break up of total expenditure is as under:

A. CAPITAL EXPENSES (FIXED ASSETS)

(₹ in Crore)

	Asset Block	Gross Block as at 01.04.2012*	Additions during the year	Transferred from CWIP	Transfer/Deduction/Disposal during the year	Gross Block as at 31.03.2013	Work-in-Progress as on 01.04.2012	Additions during the year	Transferred to Fixed Assets (Capitalized)	Work-in-Progress as on 31.03.2013	Total Capital Expenditure
1	2	3	4	5	6	7 = (3+4+5-6)	8	9	10	11 = (8+9-10)	12=(4+5+11-8)
(a)	**FIXED ASSETS**										
1	Land - Free Hold	0.81	-	-	-	0.81	-	-	-	-	-
2	Building, Roads etc.	104.64	2.14	11.98	1.28	117.48	12.00	8.57	11.98	8.59	**10.71**
3	Plant & Machinery	577.96	50.33	8.03	2.21	634.11	20.49	16.85	9.58	27.76	**65.63**
4	Office Equipment	28.69	2.28	0.52	1.60	29.89	-	-	-	-	**2.80**
5	Transport Equipments	0.66	0.08	-	-	0.74	-	-	-	-	**0.08**
6	Furniture & Fixtures	6.93	0.51	0.89	0.12	8.21	-	-	-	-	**1.40**
7	Drainage & Sewage	0.44	0.02	0.15	-	0.61	-	-	-	-	**0.17**
	Sub Total :	**720.13**	**55.36**	**21.57**	**5.21**	**791.85**	**32.49**	**25.42**	**21.56**	**36.35**	**80.79**
(b)	**INTANGIBLE ASSETS**										
1	Right of way	-	-	-	-	-	-	-	-	-	-
2	Licenses/Technical Know-how	-	-	-	-	-	-	-	-	-	-
3	Computer Software	7.79	-	0.61	-	8.40	-	0.61	0.61	-	0.61
	Sub Total :	**7.79**	**-**	**0.61**	**-**	**8.40**	**-**	**0.61**	**0.61**	**-**	**0.61**
	TOTAL :	**727.92**	**55.36**	**22.18**	**5.21**	**800.25**	**32.49**	**26.03**	**22.17**	**36.35**	**81.40**
	Previous year :	**639.13**	**42.14**	**14.17**	**4.36**	**691.08**	**32.69**	**13.97**	**14.17**	**32.49**	**56.11**

*Opening Balance includes assets amounting ₹ 36.84 Crore located at Product, Application & Development Centre, Panipat being approved for in-house R&D Facilities u/s 35 (2AB) of Income Tax Act, 1961 from 01.04.2012.

B. RECURRING EXPENSES

(₹ in Crore)

	Particulars	2012-13	2011-12
1	Consumption of Stores, Spares & Consumables	**10.26**	5.76
2	Repairs & Maintenance		
	(a) Plant & Machinery	**6.34**	3.55
	(b) Building	**5.53**	5.37
	(c) Others	**0.32**	0.69
3	Freight, Transportation Charges & demurrage	**0.11**	0.09
4	Payment to and Provisions for employees	**98.54**	73.17
5	Office Administration, Selling and Other Expenses	**46.56**	36.84
6	Interest	**-**	0.04
	TOTAL	**167.66**	125.51

C. TOTAL RESEARCH EXPENSES

(₹ in Crore)

	Particulars	2012-13	2011-12
1	Capital Expenditure	**81.40**	56.11
2	Recurring Expenditure	**167.66**	125.51
	TOTAL	**249.06**	181.62

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

(Figures in Lakh)

		UNIT		Licensed Capacity (Refer Note A)		Installed Capacity (Refer Note B)		Actual Production	
				March'13	March'12	**March'13**	March'12	**March'13**	March'12
i)	Crude Processing	MTs		**518.50**	518.50	**542.00**	542.00	**485.61**	497.53
								(Refer Note C)	
ii)	Lubricating Oil	MTs	Note D	**4.71**	4.69	**4.64**	3.94	**4.20**	3.81
			Note E	**1.46**	1.46	**0.34**	1.47	**0.31**	1.03
iii)	Wax/Bitumen/Asphalt Lube Oil Drums	Nos.		**15.00**	15.00	**15.00**	15.00	**3.61**	3.96
iv)	Oxygen Plant	CU.M.		**Not specified**	Not specified	**0.84**	0.84	**0.00**	0.00
v)	Propylene Recovery Unit	MTs		**0.24**	0.24	**0.24**	0.24	**0.18**	0.16
vi)	MTBE Unit	MTs		**0.37**	0.37	**0.37**	0.37	**0.24**	0.25
vii)	Naptha Cracker plant	MTs		**14.60**	14.60	**14.60**	14.60	**14.40**	9.84
viii)	LAB Plant	MTs		**1.20**	1.20	**1.20**	1.20	**1.19**	1.02
ix)	PX/PTA Plant	MTs		**5.53**	5.53	**5.53**	5.53	**5.67**	5.55
x)	Cryocontainer & Accessories	Nos.		**0.13**	0.13	**0.17**	0.17	**0.17**	0.13
xi)	Site Mixed Slurry Explosives	MTs		**0.94**	0.94	**0.68**	0.66	**0.80**	0.71

A. i) Licensed Capacity of 6.50 lakh MT for Digboi Refinery is not specified and there is variance vis-a-vis installed capacity of 12.00 lakh MT & 5.00 lakh MT for Gujarat & Mathura Refinery respectively.
   ii) Capacity for projects under construction not considered.

B. As certified by the Management.

C. i) Represents finished petroleum products.
   ii) Excludes crude processed in secondary units for other companies/refiners

D. Per year operating in single shifts.

E. Per year operating in two shifs.

NOTE - 40: FINISHED PRODUCTS - QUANTITY AND VALUE PARTICULARS

		Opening Stock		Purchases		Sales		Closing Stock	
		Quantity (MTs/ MMBTUs/Nos) in lakh	Value (₹ in crore)	Quantity (MTs/ MMBTUs/Nos) in lakh	Value (₹ in crore)	Quantity (MTs/ MMBTUs/Nos) in lakh	Value (₹ in crore)	Quantity (MTs/ MMBTUs/Nos) in lakh	Value (₹ in crore)
A.									
1 Petroleum Products :	MTs								
Year ended 31.03.13		**49.02**	**21198.25**	**332.88**	**181816.33**	**805.74**	**387901.09**	**58.02**	**25853.93**
Year ended 31.03.12		56.35	19960.66	306.59	150557.70	807.49	353319.47	49.02	21198.25
2 Lubricants & Greases :	MTs								
Year ended 31.03.13		**0.44**	**433.79**	**0.01**	**19.45**	**4.55**	**7245.63**	**0.38**	**400.22**
Year ended 31.03.12		0.37	310.12	0.02	6.41	4.71	7439.85	0.44	433.79
3 Base Oil & Additives :	MTs								
Year ended 31.03.13		**0.04**	**27.95**	**0.33**	**232.09**	**0.61**	**513.02**	**0.02**	**17.01**
Year ended 31.03.12		0.00	0.00	0.46	327.39	0.94	699.57	0.04	27.95
4 LAB :	MTs								
Year ended 31.03.13		**0.11**	**92.06**	**0.00**	**0.00**	**1.26**	**1617.38**	**0.07**	**56.65**
Year ended 31.03.12		0.09	50.05	0.00	0.00	1.00	1233.29	0.11	92.06
5 PX/PTA :	MTs								
Year ended 31.03.13		**0.18**	**99.40**	**0.00**	**0.00**	**5.57**	**3956.92**	**0.28**	**147.90**
Year ended 31.03.12		0.05	25.71	0.00	0.00	5.42	3624.91	0.18	99.40
6 Polymer	MTs								
Year ended 31.03.13		**0.43**	**385.95**	**0.00**	**0.00**	**9.31**	**8861.17**	**0.84**	**745.54**
Year ended 31.03.12		0.51	397.94	0.00	0.00	6.58	5506.58	0.43	385.95
7 MEG/DEG/TEG	MTs								
Year ended 31.03.13		**0.16**	**89.45**	**0.00**	**0.00**	**3.14**	**2063.95**	**0.16**	**94.82**
Year ended 31.03.12		0.07	44.98	0.00	0.00	2.39	1474.28	0.16	89.45
8 Other Petrochemicals Product	MTs								
Year ended 31.03.13		**0.20**	**106.71**	**0.00**	**0.00**	**1.50**	**1112.83**	**0.42**	**192.53**
Year ended 31.03.12		0.21	84.47	0.00	0.00	1.19	674.26	0.20	106.71
SUB TOTAL(A) :	MTs								
Year ended 31.03.13		**50.58**	**22433.56**	**333.22**	**182067.87**	**831.68**	**413271.99**	**60.19**	**27508.60**
Year ended 31.03.12		57.65	20873.93	307.07	150891.50	829.72	373972.21	50.58	22433.56
B.									
1 Gas :	MMBTUs								
Year ended 31.03.13		**0.59**	**2.93**	**942.47**	**6114.33**	**942.63**	**6262.69**	**0.43**	**2.94**
Year ended 31.03.12		0.40	1.37	896.09	3902.00	895.90	4058.66	0.59	2.93
2 Explosives :	MTs								
Year ended 31.03.13		**0.00**	**0.00**	**0.00**	**0.00**	**0.80**	**260.88**	**0.00**	**0.00**
Year ended 31.03.12		0.00	0.00	0.00	0.00	0.71	193.16	0.00	0.00
3 Cryocontainers/Cryovessels:	Nos								
Year ended 31.03.13		**0.03**	**4.98**	**0.00**	**0.00**	**0.18**	**31.04**	**0.02**	**3.34**
Year ended 31.03.12		0.02	4.14	0.00	0.00	0.12	23.14	0.03	4.98
SUB TOTAL(B) :									
Year ended 31.03.13			**7.91**		**6114.33**		**6554.61**		**6.28**
Year ended 31.03.12			5.51		3902.00		4274.96		7.91
GRAND TOTAL(A+B) :									
Year ended 31.03.13			**22441.47**		**188182.20**		**419826.60**		**27514.88**
Year ended 31.03.12			20879.44		154793.50		378247.17		22441.47

NOTE - 41: WIP - QUANTITY AND VALUE PARTICULARS

		Opening Stock		Closing Stock	
		Quantity (MTs/Nos.) in lakh	Value (₹ in crore)	Quantity (MTs/Nos.) in lakh	Value (₹ in crore)
A.					
1 Petroleum Products :	MTs				
Year ended 31.03.13		**11.99**	**4494.70**	**11.99**	**4929.75**
Year ended 31.03.12		12.88	3579.92	11.99	4494.70
2 Lubricants & Greases :	MTs				
Year ended 31.03.13		**0.00**	**1.20**	**0.00**	**0.27**
Year ended 31.03.12		0.00	0.00	0.00	1.20
3 LAB :	MTs				
Year ended 31.03.13		**0.02**	**13.58**	**0.02**	**10.45**
Year ended 31.03.12		0.02	14.22	0.02	13.58
4 PX/PTA	MTs				
Year ended 31.03.13		**0.55**	**328.09**	**0.37**	**205.14**
Year ended 31.03.12		0.38	187.95	0.55	328.09
5 MEG/DEG/TEG	MTs				
Year ended 31.03.13		**0.01**	**3.27**	**0.00**	**0.00**
Year ended 31.03.12		0.00	0.19	0.01	3.27
6 Other Petrochemicals Product	MTs				
Year ended 31.03.13		**0.77**	**455.98**	**0.58**	**297.23**
Year ended 31.03.12		0.48	209.07	0.77	455.98
SUB TOTAL(A) :	MTs				
Year ended 31.03.13		**13.34**	**5296.82**	**12.96**	**5442.84**
Year ended 31.03.12		13.76	3991.35	13.34	5296.82
B.					
1 Explosives :	MTs				
Year ended 31.03.13		**0.01**	**2.21**	**0.01**	**1.85**
Year ended 31.03.12		0.01	1.41	0.01	2.21
2 Cryocontainers/Cryovessels:	Nos				
Year ended 31.03.13		**0.01**	**3.49**	**0.02**	**4.45**
Year ended 31.03.12		0.01	19.66	0.01	3.49
SUB TOTAL(B) :					
Year ended 31.03.13			**5.70**		**6.30**
Year ended 31.03.12			21.07		5.70
GRAND TOTAL(A+B) :					
Year ended 31.03.13			**5302.52**		**5449.14**
Year ended 31.03.12			4012.42		5302.52

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

	Imported		Indigenous		Quantity	Total
	Value (₹ in Crore)	% to total consumption	Value (₹ in Crore)	% to total consumption	MTs (in Lakh)	(₹ in Crore)
March-13						
Crude Oil	**191,641.45**	**89**	**24,353.92**	**11**	**530.61**	**215995.37**
Base Oil	**3.21**	**0**	**2,395.19**	**100**	**4.01**	**2398.40**
Ethanol	**0.00**	**0**	**323.74**	**100**	**0.98**	**323.74**
BENZENE	**0.00**	**0**	**98.30**	**100**	**0.16**	**98.30**
Natural Gas/RLNG	**0.00**	**0**	**1,452.45**	**100**	**3.44**	**1452.45**
Additives	**76.34**	**12**	**544.75**	**88**	**0.49**	**621.09**
Packing Materials Consumed	**0.00**	**0**	**439.38**	**100**	**-**	**439.38**
Steel Coils / Sheets / Stores / Component and Spare Parts	**463.33**	**28**	**1,196.93**	**72**	**0.06**	**1660.26**
Raw Material for Explosives	**42.35**	**30**	**98.96**	**70**	**0.63**	**141.31**
Others	**1.38**	**3**	**41.34**	**97**	**-**	**42.72**
March-12						
Crude Oil	175,862.87	88	22,987.80	12	544.29	198850.67
Base Oil	1.23	0	2,580.58	100	4.31	2581.81
Ethanol	0.00	0	487.39	100	1.10	487.39
BENZENE	0.00	0	15.75	100	0.08	15.75
Natural Gas/RLNG	0.00	0	1,259.06	100	3.85	1259.06
Additives	102.97	17	508.95	83	0.52	611.92
Packing Materials Consumed	0.00	0	380.70	100	-	380.70
Steel Coils / Sheets / Stores / Component and Spare Parts	390.80	28	986.16	72	0.07	1376.96
Raw Material for Explosives	21.92	19	91.58	81	0.57	113.50
Others	0.68	3	24.11	97	-	24.79

1. Consumption excludes value adjustments if any, shown under items pertaining to the prior period.
2. Consumption includes Indigenous Base Oil & additives ₹ **1329.33 crore** (2012: ₹ 1664.40 crore) which is internally produced.

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

(₹ in Crore)

			March-13	March-12
1.	Royalty		**3.59**	12.17
2.	Professional, Consultation Fees and Technical Service Fees		**225.06**	313.31
3.	Interest		**453.12**	362.44
4.	Purchase of Products		**21,289.48**	20,885.46
5.	Commodity Hedging		**0.61**	613.66
6	Others	A	**4,378.44**	6,616.34
	TOTAL		**26,350.30**	28,803.38

A. (i) Includes ₹ **4029.13 crore** (2012 : ₹ 6100.65 Crore) on account of crude purchases from Indian Companies, payments of which were made in foreign currency.
(ii) Includes dividend payment of ₹ **NIL** in foreign currency for 2011-12 (2012: ₹ 11058 to 3 shareholders in respect of 1164 shares for 2010-11)

B. Expenditure in Foreign Currency has been considered on accrual basis.

NOTE - 44: EARNINGS IN FOREIGN EXCHANGE

(₹ in Crore)

			March-13	March-12
1.	Exports	A	**18,549.19**	19,618.10
2.	Income from Royalty		**0.32**	0.32
3.	Income from Consultancy Services		**2.57**	4.52
4.	Interest		**-**	-
5.	Commodity Hedging		**0.27**	182.70
6.	Others		**6.26**	5.36
	TOTAL		**18,558.61**	19,811.00

A. Includes ₹ **4708.66 crore** (2012 : ₹ 4549.06 crore) received in Indian Currency out of the repatriable funds of Foreign Customers and other Export Sales through canalising agencies.

B. Earnings in Foreign Currency has been considered on accrual basis.

NOTE - 45: CIF VALUE OF IMPORTS

(₹ in Crore)

			March-13	March-12
1.	Crude Oil	A	**184,558.65**	173,323.27
2.	Base Oil		**0.15**	7.26
3.	Additives		**59.71**	112.65
4.	Capital Goods		**1,102.15**	1,274.52
5.	Other Raw Materials		**25.34**	17.28
6.	Revenue Stores, Component, Spare and Chemicals		**679.52**	551.75
	TOTAL		**186,425.52**	175,286.73

A. In addition, Corporation has imported crude oil of ₹ **37278.72 crore** (2012 : ₹ 36391.84 crore) on behalf of its subsidiary company as canalising agent.

B. Expenditure in Foreign Currency has been considered on accrual basis.

NOTE - 46: OTHER DISCLOSURES

1 Purchase of crude oil from Oil India Limited and Panna Mukta Tapti JV and some other oilfields has been accounted for provisionally, pending finalization of agreements with respective parties. Adjustments, if any, will be made on finalization of agreements.

2 Transactions with other Oil Marketing Companies are jointly reconciled on an ongoing basis.

3 Crude oil imported against canalising commission on behalf of CPCL, a Subsidiary Company, hitherto accounted for as Purchase/ Sales, is now accounted on agency basis. In order to make previous figures comparative, such transactions relating to the year ended 31.03.2012 ₹ 36030.91 crore have been recast accordingly.

4 In view of the Govt. of India clarification dated 9th August 2012 on para 46A of AS-11, exchange differences arising on long-term foreign currency monetary items hitherto accounted for as Finance Cost to the extent that they are regarded as an adjustment to interest costs under para 4(e) of AS-16, has now been considered as foreign exchange differences. This change has resulted in decrease in finance cost by ₹ 71.16 crore and increase in tangible assets and depreciation and profit for the year by ₹ 71.16 crore, ₹ 9.15 crore and ₹ 62.01 crore respectively.

5 In the absence of relevant notification by the Government of India specifying the period and applicable rate at which cess on turnover is payable under section 441A of the Companies Act, 1956, the same is not determinable and hence, not provided for.

6 Previous year's comparative figures have been regrouped wherever necessary. Figures in brackets indicate deductions.

Sd/-	Sd/-	Sd/-
(R. S. Butola)	**(P. K. Goyal)**	**(Raju Ranganathan)**
Chairman	Director (Finance)	Company Secretary

As per our attached Report of even date

For B.M. CHATRATH & CO.	**For DASS GUPTA & ASSOCIATES**	**For PARAKH & CO.**
Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 301011E)	(Firm Regn. No. 000112N)	(Firm Regn. No.001475C)
Sd/-	Sd/-	Sd/-
(CA. P.R. Paul)	**(CA. Raaja Jindal)**	**(CA. Thalendra Sharma)**
Partner	Partner	Partner
M. No. 051675	M. No. 504111	M. No. 079236

Place : New Delhi
Date : 30th May, 2013

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2013 ON PROVISION OF TOWNSHIP, EDUCATION, MEDICAL AND OTHER FACILITIES

(₹ in Crore)

Particulars	March-13	March-12
INCOME :		
1. Recovery of House Rent	**6.76**	7.02
2. Recovery of Utilities-Power and Water	**4.32**	6.18
3. Recovery of Transport Charges	**0.21**	0.19
4. Other Recoveries	**7.08**	7.20
5. Excess of Expenditure over Income	**422.19**	378.61
TOTAL :	**440.56**	399.20
EXPENDITURE :		
1. Salaries, Wages, PF & Gratuity Contribution	**141.07**	113.25
2. Consumable Stores and Medicines	**27.03**	28.72
3. Repairs and Maintenance	**92.16**	76.22
4. Interest	**14.79**	14.88
5. Depreciation	**12.30**	11.34
6. Miscellaneous Expenses :		
Taxes, License Fees, Insurance etc.	**30.26**	47.18
7. Utilities-Power, Water and Gas	**92.63**	83.65
8. Rent	**0.54**	0.29
9. Subsidies for Social & Cultural Activities	**23.02**	15.13
10. Bus Hire Charges	**1.26**	2.24
11. Club and Recreation	**0.17**	0.37
12. Others	**5.33**	5.93
TOTAL:	**440.56**	399.20

SCHEDULE OF FIXED ASSETS (TOWNSHIP) FOR THE YEAR ENDED 31ST MARCH 2013

(₹ in Crore)

PARTICULARS	GROSS BLOCK AS ON 01.04.2012 (AT COST)	ADDITIONS DURING THE YEAR (AT COST)	TRANSFERS FROM CONSTRUCTION WORK IN PROGRESS (AT COST)	TRANSFERS/ DEDUCTION/ RECLASSIFICATIONS (AT COST)	GROSS BLOCK AS ON 31.3.2013 (AT COST)	DEPRECIATION/ AMORTISATION PROVIDED DURING THE YEAR	TOTAL DEPRECIATION & AMORTISATION UP TO 31.3.2013	NET DEPRECIATED BLOCK AS ON 31.3.2013	AS ON 31.3.2012
LAND FREEHOLD	34.43	5.42	-	-	39.85	-	-	39.85	34.43
LAND-LEASEHOLD	12.14	-	-	-	12.14	0.15	3.20	8.94	9.09
BUILDINGS, ROADS ETC.	454.12	1.89	16.84	(1.32)	471.53	7.44	111.13	360.40	350.42
PLANT & MACHINERY	38.43	1.02	0.03	(0.07)	39.41	1.25	25.28	14.13	14.44
FURNITURE & FIXTURES	13.86	0.97	0.21	(0.92)	14.12	0.59	6.56	7.56	7.04
DRAINAGE, SEWAGE & WATER SUPPLY SYSTEM	34.98	0.13	-	0.01	35.12	0.80	28.47	6.65	7.30
EQUIPMENTS & APPLIANCES	40.03	2.34	0.42	(0.91)	41.88	1.98	22.27	19.61	19.10
VEHICLES	2.48	5.46	-	(0.08)	7.86	0.09	2.15	5.71	0.36
GRAND TOTAL :	**630.47**	**17.23**	**17.50**	**(3.29)**	**661.91**	**12.30**	**199.06**	**462.85**	**442.18**
PREVIOUS YEAR :	**596.74**	**6.10**	**26.25**	**1.38**	**630.47**	**11.34**	**188.29**	**442.18**	

STATEMENT PURSUANT TO SECTION 212(1)(e) OF THE COMPANIES ACT,1956

	Chennai Petroleum Corporation Limited (CPCL)	IndianOil (Mauritius) Ltd. (IOML)	Lanka IOC PLC (LIOC)	IOC Middle East FZE	IndianOil Creda Biofuels Limited	IOC Sweden AB	IOCL (USA) INC.*
1. The extent of holding Company's interest in the subsidiary at the end of the financial year 31.3.2013 :							
- No. of Shares	77,265,200	4,882,043	400,000,005	2	16,649,997	3,346,988	3,000
- Paid up value of Shares (₹ Crore)	77.27	75.67	194.13	2.30	16.65	224.87	0.00
- Percentage of Holding Company's interest in the total share capital of the subsidiary	51.89%	100%	75.12%	100%	74%	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 :	₹ In crore						
- For the financial year ended 31.3.2013	(916.81)	13.76	91.63	1.78	-	(0.70)	1.23
- For all the previous financial years of the subsidiary	1,425.91	117.78	(72.28)	10.84	(1.06)	(1.45)	-
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 31.3.2013	15.45	5.36	-	0.91	-	-	-
- For all the previous financial years of the subsidiary	695.41	10.26	-	1.04	-	-	-

* Amount invested is ₹ 1,617.

Note: Figures in respect of IOML,LIOC, IOC Middle East FZE, IOC Sweden AB and IOCL (USA) INC. are as converted in Indian currency.

Sd/-	Sd/-	Sd/-
(R. S. Butola)	**(P. K. Goyal)**	**(Raju Ranganathan)**
Chairman	Director (Finance)	Company Secretary

Place : New Delhi
Date : 30th May, 2013

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 31 MARCH 2013.

The preparation of financial statements of Indian Oil Corporation Limited for the year ended 31 March 2013 in accordance with the financial reporting frame work 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 30 May 2013.

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 March 2013. 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

10/7/13

(Naina A. Kumar)
Principal Director of Commercial Audit
& Ex-officio Member, Audit Board-II,
New Delhi

Place : New Delhi
Date : 10.07.2013

Consolidated
Financial Statements
2012-13

Indian Oil Corporation Limited


इंडियनऑयल
IndianOil
ପାରାଦୀପ ରିଫାଇନରୀ ପରିଯୋଜନା
ସାମୁଦାୟିକ ବିକାଶ କାର୍ଯ୍ୟକ୍ରମ ଅନ୍ତର୍ଗତ
ପାନୀୟ ଜଳ ଯୋଗାଣ ପ୍ରକଳ୍ପ
ବ୍ୟୟ ଅଟକଳ :2.40.669 /-
ବର୍ଷ :2011 - 12
ଗ୍ରାମ :ଡାଲିମ୍ବ ପୁର

Auditors' Report to the Board of Directors of Indian Oil Corporation Ltd. on Consolidated Financial Statements of Indian Oil Corporation Limited, its Subsidiaries and Joint Ventures

We have audited the accompanying consolidated financial statements of Indian Oil Corporation Ltd ("the Company"), its subsidiaries and its joint ventures (collectively referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2013, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India including accounting standards referred to in section 211 (3C) of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of separate reports of the other auditors on financial statements/ consolidated financial statements of its subsidiaries and joint ventures, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2013;

b) In the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date, and

c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matter

We did not audit the financial statements of subsidiary companies and joint ventures, whose financial statements reflect total assets of ₹ 22155.46 crore (net) as on 31st March 2013, total revenue of ₹ 54011.31 crore for the year then ended and net cash flows amounting to ₹ 201.57 crore for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management (except in case of M/s IOT Infrastructure & Energy Services Ltd, total assets: ₹ 3057.18 crore (net), total revenue: ₹ 1368.61 crore and net cash flows: ₹ (21.00) crore) 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 reports of the other auditors. Our opinion is not qualified in respect of this matter.

For B.M. CHATRATH & CO.	For DASS GUPTA & ASSOCIATES	For PARAKH & CO.
Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 301011E)	(Firm Regn. No. 000112N)	(Firm Regn. No.001475C)
Sd/-	Sd/-	Sd/-
(CA. P.R. Paul)	**(CA. Raaja Jindal)**	**(CA. Thalendra Sharma)**
Partner	Partner	Partner
M. No.051675	M. No. 504111	M. No. 079236

Place : New Delhi
Date : 30th May, 2013

BALANCE SHEET as at 31st March 2013

(₹ in Crore)

Note	Page	Particulars		March-13	March-12
		EQUITY AND LIABILITIES			
		(1) Shareholders' Funds:			
2	159	(a) Share Capital	**2,427.95**		2,427.95
3	160	(b) Reserves and Surplus	**60,608.02**		57,945.35
				63,035.97	60,373.30
		(2) Share application money pending allotment		**1.20**	0.06
		(3) Minority Interest		**1,261.76**	1,943.74
		(4) Non-current liabilities			
4	161	(a) Long-term borrowings	**24,712.27**		18,310.40
5	162	(b) Deferred tax liabilities	**6,332.92**		5,970.20
6	163	(c) Other Long-term liabilities	**11,528.19**		9,907.33
7	164	(d) Long-term provisions	**420.56**		300.73
				42,993.94	34,488.66
		(5) Current liabilities			
8	165	(a) Short-term borrowings	**62,001.93**		56,304.49
9	165	(b) Trade payables	**33,589.56**		32,209.99
6	163	(c) Other current liabilities	**16,927.65**		19,404.94
7	164	(d) Short-term provisions	**17,888.92**		15,102.04
				130,408.06	123,021.46
		TOTAL		**237,700.93**	219.827.22
		ASSETS			
		(6) Non-current assets			
		(a) Fixed Assets			
10	166	(i) Tangible assets	**65,791.00**		63,600.69
11	166	(ii) Intangible assets	**895.91**		960.82
12	168	(iii) Capital work-in-progress	**18,992.06**		15,172.38
13	169	(iv) Intangible assets under development	**290.71**		277.26
			85,969.68		80,011.15
14	170	(b) Non-current investments	**3,693.83**		3,813.09
5	162	(c) Deferred tax assets	**0.64**		0.64
15	171	(d) Long-term loans and advances	**12,229.51**		10,705.44
16	173	(e) Other non-current assets	**1,281.87**		20.44
				103,175.53	94,550.76
		(7) Goodwill on Consolidation		**86.95**	24.39

Contd...

(₹ in Crore)

Note	Page	Particulars		March-13	March-12
		(8) Current assets			
14	170	(a) Current investments	**13,656.95**		13,774.83
17	174	(b) Inventories	**66,604.30**		63,851.04
18	174	(c) Trade receivables	**12,499.51**		11,557.30
19	175	(d) Cash and Bank Balances	**1,219.80**		821.95
15	171	(e) Short-term loans and advances	**37,324.97**		32,914.70
16	173	(f) Other current assets	**3,132.92**		2,332.25
				134,438.45	125,252.07
		TOTAL		**237,700.93**	219,827.22
1	158	Principles of Consolidation and Significant Accounting Policies			
2 - 37	159	Notes on Financial Statements			

Sd/-
(R. S. Butola)
Chairman

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

Sd/-
(Raju Ranganathan)
Company Secretary

As per our attached Report of even date

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

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

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

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

Sd/-
(CA. Raaja Jindal)
Partner
M. No. 504111

Sd/-
(CA. Thalendra Sharma)
Partner
M. No. 079236

Place : New Delhi
Date : 30th May, 2013

STATEMENT OF PROFIT AND LOSS for the Year Ended 31st March 2013

(₹ in Crore)

Note	Page	Particulars		March-13	March-12
		(1) Revenue:			
20	175	(a) Revenue from operations (Gross)	**489,389.86**		438,022.73
		Less: Excise Duty	**27,610.19**		29,099.73
		Revenue from operations (Net)		**461,779.67**	408,923.00
21	176	(b) Other income		**3,511.64**	3,188.16
		Total Revenue		**465,291.31**	412,111.16
		(2) Expenses:			
22	177	(a) Cost of materials consumed		**264,597.02**	243,660.28
		(b) Purchase of Stock-in-Trade		**155,528.62**	121,219.90
23	177	(c) Changes in Inventory		**(5,515.07)**	(3,470.95)
24	177	(d) Employee benefit expenses		**7,783.88**	5,296.99
25	178	(e) Finance cost		**7,083.52**	5,894.65
		(f) Depreciation, Depletion and Amortisation on :			
		a) Tangible Assets	**5,536.96**		5,156.48
		b) Intangible Assets	**154.54**		152.78
				5,691.50	5,309.26
26	178	(g) Other expenses		**25,620.75**	22,768.14
		Total expenses		**460,790.22**	400,678.27
		(3) Profit before Prior Period, Exceptional Items and Tax		**4,501.09**	11,432.89
27	180	(4) Income / (Expenses) pertaining to Prior Years (Net)		**3.16**	270.25
		(5) Profit before Exceptional Items and Tax		**4,504.25**	11,703.14
		(6) Exceptional Items		**-**	(7,707.82)
		(7) Profit before Tax		**4,504.25**	3,995.32
		(8) Tax expense:			
		Current tax [includes ₹ **(25.71) crore** (2012 : ₹ (507.08) crore) relating to prior years]		**969.35**	790.36
		Mat Credit Entitlement		**(455.31)**	(1.03)
		Deferred tax [includes ₹ **NIL** (2012 : ₹ 150.53 crore) relating to prior years]		**362.91**	(1,059.28)

Contd...

(₹ in Crore)

Note	Page	Particulars	March-13	March-12
		(9) Profit / (loss) for the period	**3,627.30**	4,265.27
		(10) Less: Share of Minority	**(821.71)**	39.29
		(11) Profit / (loss) for the Group	**4,449.01**	4,225.98
33	188	**(12) Earning per Equity Share (₹):**		
		(1) Basic	**18.32**	17.41
		(2) Diluted	**18.32**	17.41
		Face Value Per Equity Share (₹)	**10**	10
1	158	Principles of Consolidation and Significant Accounting Policies		
2 - 37	159	Notes on Financial Statements		

Total Income includes ₹ **6,620.51 crore** (2012: ₹ 4,600.40 crore) share of jointly controlled entities.

Total Expenditure includes ₹ **6,168.01 crore** (2012: ₹ 4,151.07 crore) share of jointly controlled entities.

Sd/- **(R. S. Butola)** Chairman	Sd/- **(P. K. Goyal)** Director (Finance)	Sd/- **(Raju Ranganathan)** Company Secretary

As per our attached Report of even date

For B.M. CHATRATH & CO. Chartered Accountants (Firm Regn. No. 301011E)	**For DASS GUPTA & ASSOCIATES** Chartered Accountants (Firm Regn. No. 000112N)	**For PARAKH & CO.** Chartered Accountants (Firm Regn. No.001475C)
Sd/- **(CA. P.R. Paul)** Partner M. No. 051675	Sd/- **(CA. Raaja Jindal)** Partner M. No. 504111	Sd/- **(CA. Thalendra Sharma)** Partner M. No. 079236

Place : New Delhi
Date : 30th May, 2013

CASH FLOW STATEMENT for the year ended 31st March 2013

(₹ in Crore)

		Particulars	March-13		March-12	
A		**Cash Flow from Operating Activities**				
	1	Profit Before Tax		**4,504.25**		3,995.32
	2	Adjustments for :				
		Depreciation	**5,710.31**		4,983.87	
		Loss/(Profit) on sale of Assets (net)	**28.66**		5.08	
		Loss/(Profit) on Sale of Investments (net)	**(28.01)**		18.87	
		Amortisation of Capital Grants	**(1.46)**		(1.19)	
		Amortisation of Premium on Forward Contracts	**19.72**		89.66	
		Provision for Probable Contingencies (net)	**413.73**		37.78	
		Provision for Loss on Investments (net)	**(634.15)**		418.15	
		Provision for Doubtful Debts, Advances, Claims and Obsolescence of Stores (net)	**21.83**		(229.51)	
		Provision for Dimunition in 'Receivable from trust' (net)	**(110.15)**		(513.21)	
		Provision for MTM loss on interest rate swap	**10.81**		110.26	
		Interest Income on Investments	**(1,118.85)**		(1,171.94)	
		Dividend Income on Investments	**(967.80)**		(780.53)	
		Interest Expenditure	**7,083.16**		5,901.61	
				10,427.80		8,868.90
	3	Operating Profit before Working Capital Changes (1+2)		**14,932.05**		12,864.22
	4	Change in Working Capital: (Excluding Cash & Bank Balances)				
		Trade & Other Receivables	**(6,751.99)**		(16,271.63)	
		Inventories	**(2,774.62)**		(8,962.51)	
		Trade and Other Payables	**5,143.01**		12,013.48	
				(4,383.60)		(13,220.66)
	5	Cash Generated From Operations (3+4)		**10,548.45**		(356.44)
	6	Less : Taxes Paid		**1,168.97**		406.37
	7	Net Cash Flow from Operating Activities (5-6)		**9,379.48**		(762.81)
B		**Cash Flow from Investing Activities:**				
		Sale/Transfer of Assets	**511.00**		1,370.17	
		Sale / Maturity of Investments	**784.01**		790.74	
		Interest Income on Investments	**1,127.85**		1,189.94	
		Dividend Income on Investments	**967.80**		780.53	
		Purchase of Assets	**(4,178.38)**		(3,482.98)	
		Investments in Long Term Investments / Others	**115.29**		(168.76)	
		Expenditure on Construction Work in Progress	**(8,621.15)**		(13,535.42)	
		Net Cash Generated/(Used) in Investing Activities:		**(9,293.58)**		(13,055.78)

Contd...

(₹ in Crore)

	Particulars		March-13			March-12
C	**Net Cash Flow from Financing Activities:**					
	Proceeds from/(Repayments of) Long-Term Borrowings	**3,883.11**			3,654.53	
	Proceeds from/(Repayments of) Short-Term Borrowings	**5,709.72**			18,618.27	
	Interest paid	**(7,788.72)**			(6,364.30)	
	Dividend/Dividend Tax paid	**(1,492.16)**			(2,805.12)	
	Net Cash Generated/(Used) from Financing Activities:		**311.95**			13,103.38
D	Net Change in Cash & Bank Balances (A+B+C)		**397.85**			(715.21)
E -	1 Cash & Bank Balances as at end of the year	**1,219.80**				821.95
	Add: Impact of Exchange variation taken to Reserves	**-**				0.67
			1,219.80			822.62
	Less:					
	2 Cash & Bank Balances as at the beginning of Period		**821.95**			1,537.83
	NET CHANGE IN CASH & BANK BALANCE (E 1-2)		**397.85**			(715.21)
Notes:						
1.	Cash & Bank Balances as at end of the year		**1,219.80**			821.95
	Less: Other Bank Balances		**116.59**			145.26
	Total Cash and Cash Equivalents		**1,103.21**			**676.69**

2. Figures for previous periods have been regrouped wherever necessary for uniformity in presentation.

Sd/-	Sd/-	Sd/-
(R. S. Butola)	**(P. K. Goyal)**	**(Raju Ranganathan)**
Chairman	Director (Finance)	Company Secretary

As per our attached Report of even date

For B.M. CHATRATH & CO.	**For DASS GUPTA & ASSOCIATES**	**For PARAKH & CO.**
Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 301011E)	(Firm Regn. No. 000112N)	(Firm Regn. No.001475C)
Sd/-	Sd/-	Sd/-
(CA. P.R. Paul)	**(CA. Raaja Jindal)**	**(CA. Thalendra Sharma)**
Partner	Partner	Partner
M. No. 051675	M. No. 504111	M. No. 079236

Place : New Delhi
Date : 30th May, 2013

NOTE – 1: PRINCIPLES OF CONSOLIDATION & SIGNIFICANT ACCOUNTING POLICIES

(Refer Page No. 153)

A. Principles of Consolidation

A.1. The consolidated financial statements relate to Indian Oil Corporation Limited (Parent Company), its subsidiaries and Joint Venture entities. The consolidated financial statements have been prepared on the following basis:

A.1.1. 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".

A.1.2. 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".

A.1.3. 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.

A.1.4. 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.

A.2. The Consolidated Financial Statements include the results of the following entities:

Sl. No.	Name of Company	Country of incorporation	Relation	Ownership Interest
1.	Chennai Petroleum Corporation Ltd	India	Subsidiary	51.89%
2.	Lanka IOC PLC	Sri Lanka	Subsidiary	75.12%
3.	Indian Oil (Mauritius) Ltd.	Mauritius	Subsidiary	100%
4.	IOC Middle East FZE	Dubai- UAE	Subsidiary	100%
5.	IndianOil CREDA Bio-Fuels Ltd.	India	Subsidiary	74%
6.	IOC Sweden AB	Sweden	Subsidiary	100%
7.	IOCL(USA) INC.	USA	Subsidiary	100%
8.	IOT Infrastructure & Energy Services Ltd	India	Joint Venture	47.91%
9.	Lubrizol India Pvt. Ltd	India	Joint Venture	50%
10.	AVI-OIL India Pvt. Ltd	India	Joint Venture	25%
11.	Petronet LNG Ltd	India	Joint Venture	12.5%
12.	Indian Oil Petronas Pvt.Ltd.	India	Joint Venture	50%
13.	Green Gas Ltd	India	Joint Venture	22.50%
14.	IndianOil Skytanking Ltd.	India	Joint Venture	33.33%
15.	Indo Cat Pvt.Ltd.	India	Joint Venture	50%
16.	Suntera Nigeria 205 Ltd.	Nigeria	Joint Venture	25%
17.	Delhi Aviation Fuel Facility (Private) Limited	India	Joint Venture	37%
18.	Indian Oil Ruchi Biofuels LLP	India	Joint Venture	50%
19.	Indian Synthetic Rubber Limited	India	Joint Venture	50%
20.	NPCIL IndianOil Nuclear Energy Corporation Limited	India	Joint Venture	26%
21.	GSPL India Transco Ltd.	India	Joint Venture	20.65%
22.	GSPL India Gasnet Ltd.	India	Joint Venture	22.16%

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 decided to exit from these Joint Ventures and provided for full diminution in the value of investment.

B. Significant Accounting Policies

B.1. Significant accounting policies of parent company are enclosed as Annexure-I.

B.2. For certain items, the Company and its subsidiaries and Joint ventures have followed different accounting policies. However impact of the same is not material.

C. Financial statements of IOML, LIOC, IOC Middle East FZE, IOC Sweden AB, IOCL (USA) INC. and Suntera Nigeria are drawn in Mauritius Rupees, Sri Lankan Rupees, UAE Dirhams, Euro 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.

NOTE - 2: SHARE CAPITAL

[Item No. 1(a), Page No. 152]

(₹ in Crore)

Particulars	March-13	March-12
Authorised:		
600,00,00,000 Equity Shares of ₹ 10 each	**6,000.00**	6,000.00
Issued, Subscribed and Paid Up:		
2,42,79,52,482 (2012 : 2,42,79,52,482) Equity Shares of ₹ 10 each	**2,427.95**	2,427.95
TOTAL	**2,427.95**	2,427.95

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

a) Pursuant to the Petroleum Companies Amalgamation Order, 1964 : 3,76,49,700 Shares of ₹ 10 each.

b) Pursuant to Gujarat Refinery Project Undertaking (Transfer), (Amendment) Order, 1965 :1,00,00,000 Shares of ₹ 10 each.

c) 2,43,62,106 no. of equity shares of ₹ 10 each issued in June 2007 as fully paid up to the shareholers of erstwhile IBP Co. Ltd as per the Scheme of amalgamation.

d) 2,16,01,935 no. of equity shares of ₹ 10 each issued in May 2009 as fully paid up to the shareholers of erstwhile BRPL as per the Scheme of amalgamation.

e) Aggregate shares allotted as fully paid up Bonus Shares by Capitalisation of General Reserve / Securities Premium: 2,28,02,71,241 Shares of ₹ 10 each, out of these 1,21,39,76,241 no. of equity shares of ₹ 10 each were issued during preceeding five years (in November 2009).

B. Reconciliation of No. of Equity Shares

	March-13	March-12
Opening Balance	**2,42,79,52,482**	2,42,79,52,482
Shares Issued	**-**	-
Shares bought back	**-**	-
Closing Balance	**2,42,79,52,482**	2,42,79,52,482

C. Terms/Rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10 each and is entitled to one vote per share. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

D. Details of shareholders holdings more than 5% shares

Name of Shareholder	March-13		March-12	
	Number of shares held	**Percentage of Holding**	Number of shares held	Percentage of Holding
PRESIDENT OF INDIA	**1,91,61,55,710**	**78.92**	1,91,61,55,710	78.92
OIL AND NATURAL GAS CORPORATION LIMITED	**21,29,06,190**	**8.77**	21,29,06,190	8.77

NOTE - 3: RESERVES AND SURPLUS

[Item No. 1(b), Page No. 152]

(₹ in Crore)

Particulars		March-13	March-12
Capital Reserve:			
As per Last Account	383.08		375.94
On Consolidation	6.77		7.14
		389.85	383.08
Securities Premium:			
As per Last Account	128.55		86.46
Addition during the year	-		42.09
		128.55	128.55
General Reserve:			
As per Last Account	54,637.39		52,719.17
Less: Transfer to Corporate Social Responsibility Reserve	15.56		-
Add: Appropriation from Profit and Loss	618.71		1,918.22
		55,240.54	54,637.39
Insurance Reserve:			
As per Last Account	104.40		84.40
Less : Recoupment of uninsured fire loss	0.30		-
Add: Appropriation from Profit and Loss	20.00		20.00
		124.10	104.40
Export Profit Reserve		53.72	53.72
Capital Grants:			
As per Last Account	13.49		14.65
Add: Received/ (Written Back) during the year	5.06		0.03
Less: Amortised during the year	1.46		1.19
		17.09	13.49
Bond Redemption Reserve:			
As per Last Account	1,971.45		1,344.93
Add: Provision during the year	1,228.00		741.92
Less: Write-back of provision on redemption of bonds	699.93		115.40
		2,499.52	1,971.45
Corporate Social Responsibility Reserve:			
As per Last Account	-		-
Add: Transferred from General Reserve	15.56		-
Add: Appropriation from Profit and Loss	100.89		-
Less: Utilised during the year	78.97		-
		37.48	-
Balance of Profit and Loss:			
Balance Brought Forward from Last Year's Account		656.23	484.01
Add: Opening Balance Adjustment		29.32	-
Add: Profit for the Year		4,449.01	4,225.98
Less: Appropriations:			
Final Dividend (Proposed)		1,596.15	1,275.90
Corporate Dividend Tax on:			
Interim Dividend		-	0.70
Final Dividend (Proposed)		274.18	212.42
Insurance Reserve (Net)		19.70	20.00
Bond Redemption Reserve (Net)		528.07	626.52
Corporate Social Responsibility Reserve (Net)		21.92	-
General Reserve		618.71	1,918.22
Balance carried forward to next year		2,075.83	656.23

Contd...

(₹ in Crore)

Particulars		March-13	March-12	
Devaluation Exch. Difference Reserve:				
As per Last Account	**-**			0.67
Less: Exchange variation on revaluation	**-**			0.67
		-		-
Translation Reserve on Consolidation				
As per Last Account	**(2.96)**		(16.69)	
Add : Translation difference	**44.30**		13.73	
		(41.34)		(2.96)
TOTAL		**60,608.02**		57,945.35
Share of jointly controlled entities		**1,118.99**		909.47

NOTE - 4: LONG TERM BORROWINGS

[Item No. 4(a), Page No. 152]

(₹ in Crore)

Particulars	Long Term			Current Maturities		
		March-13	March-12		March-13	March-12
SECURED LOANS						
Bonds:						
Non-Convertible Redeemable Bonds-Series-VIII B	**1,070.00**		1,070.00	**-**		-
Non-Convertible Redeemable Bonds-Series-XII	**1,295.00**		-	**-**		-
Non-Convertible Redeemable Bonds-Series-IX	**1,600.00**		1,600.00	**-**		-
Non-Convertible Redeemable Bonds-Series-VII B	**500.00**		500.00	**-**		-
Non-Convertible Redeemable Bonds-Series-XI	**-**		1,415.00	**1,415.00**		-
Non-Convertible Redeemable Bonds-Series-X	**-**		-	**-**		2,000.00
Non-Convertible Redeemable Bonds-Series-VI	**-**		-	**-**		768.10
Non-Convertible Redeemable Bonds-Series-V	**94.80**		126.40	**31.60**		31.60
		4,559.80	4,711.40		**1,446.60**	2,799.70
Debentures:						
Non-Convertible Debentures	**1,000.00**		-	**-**		-
Convertible Debentures (Issued by Subsidiary/JV entities)	**95.82**		-	**-**		-
		1,095.82	-		**-**	-
Term Loans:						
From banks	**1,496.14**		652.00	**204.39**		112.63
From other parties						
Oil Industry Development Board (OIDB)	**1,385.00**		1,107.50	**772.50**		1,847.50
Others	**203.72**		233.41	**29.50**		20.09
		3,084.86	1,992.91		**1,006.39**	1,980.22
Total Secured Loans		**8,740.48**	6,704.31		**2,452.99**	4,779.92

Contd...

(₹ in Crore)

Particulars	Long Term			Current Maturities		
	March-13		March-12	**March-13**		March-12
UNSECURED LOANS						
Bonds:						
Foreign Currency Bonds		**7,196.54**	5,088.00		**-**	-
Term Loans:						
i) From Banks/Financial Institutions:						
In Foreign Currency	**6,758.42**		3,949.62	**30.82**		31.67
Senior Notes (Bank of America)	**1,628.70**		1,526.40	**-**		-
In Rupees	**-**		300.00	**-**		-
ii) From Others						
In Rupees	**388.13**		741.88	**397.87**		588.85
		8,775.25	6,517.90		**428.69**	620.52
Deferred payment liabilities		**-**	0.19		**-**	-
Total Unsecured Loans		**15,971.79**	11,606.09		**428.69**	620.52
TOTAL LONG-TERM BORROWINGS		**24,712.27**	18,310.40		**2,881.68**	5,400.44
Share of jointly controlled entities		**2,155.29**	649.09		**174.18**	79.55

NOTE - 5: DEFERRED TAX

[Item No. 4(b) & 6(c), Page No. 152]

In compliance of Accounting Standard – 22 on “Accounting for Taxes on Income, the item wise details of Deferred Tax Liability (net) are as under: **(₹ in Crore)**

	As on 01.04.2012	**Provided during the year***	**Balance as on 31.03.2013**
Deferred Tax Liability:			
Depreciation and other fixed Assets of the group	9,414.45	888.69	10,303.14
Total Deferred Tax Liability (A)	9,414.45	888.69	10,303.14
Deferred Tax Assets:			
Provision on Inventories, Trade Receivables, Loans and advances, Investments etc.	642.17	(223.53)	418.64
Compensation for Voluntary Retirement Scheme	6.83	17.69	24.52
43B Disallowances etc.	2,361.82	597.79	2,959.61
Capital Grants	4.37	(0.28)	4.09
Provision for Leave Encashment/Retirement Benefits	429.70	131.30	561.00
Others	-	3.00	3.00
Total Deferred Tax Assets (B)	3,444.89	525.97	3,970.86
Deferred Tax Liability (Net) (A – B)	**5,969.56**	**362.72**	**6,332.28**
Previous Year	7,028.20	(1,058.64)	5,969.56
Share of jointly controlled entities	83.01		104.27
As per Balance Sheet			
Deferred Tax Liability	5,970.20		6,332.92
Deferred Tax Asset	0.64		0.64
Deferred Tax Liability (Net)	**5,969.56**		**6,332.28**

* Includes ₹ **0.19 crore** (2012: 0.64 crore) due to translation of Opening Balance at closing exchange rate considered in Translation Reserve.

NOTE - 6: OTHER LIABILITIES

[Item No. 4(c) & 5(c), Page No. 152]

(₹ in Crore)

Particulars	Non Current			Current		
		March-13	March-12		**March-13**	March-12
Current maturities of long-term debt (Refer Note 4)		**-**	-		**2,881.68**	5,400.44
Interest accrued but not due on borrowings		**-**	-		**693.09**	632.61
Interest accrued and due on borrowings		**-**	-		**64.40**	52.12
Income received in advance		**-**	-		**-**	0.17
Liability for Captial Expenditure		**-**	-		**2,757.81**	4,790.24
Liability for Trusts and Other Funds		**-**	-		**755.46**	19.46
Employee Liabilities		**0.03**	0.03		**1,176.18**	888.79
Statutory Liabilities		**-**	-		**5,080.78**	4,813.74
Advances from Customers		**-**	-		**1,482.75**	1,178.26
Investor Education & Protection Fund to be credited on the due dates :						
- Unpaid Dividend	**-**		-	**46.12**		41.85
- Unpaid Matured Deposits	**-**		-	**0.01**		0.01
		-	-		**46.13**	41.86
Liability on Foreign Currency Contracts	**-**		-	**10.72**		391.21
Less: Foreign Currency Receivables	**-**		-	**10.69**		379.69
		-	-		**0.03**	11.52
Security Deposits		**11,440.34**	9,834.76		**716.87**	596.21
Discount on Forward Contract (Refer Note - 16)		**-**	-		**-**	0.38
Long Term Trade Payables		**6.30**	0.29		**-**	-
Other Liabilities		**81.52**	72.25		**1,272.47**	979.14
TOTAL		**11,528.19**	9,907.33		**16,927.65**	19,404.94
Share of jointly controlled entities		**86.74**	70.64		**533.92**	248.11

NOTE - 7: PROVISIONS

[Item No. 4(d) & 5(d), Page No. 152]

(₹ in Crore)

Particulars		Long Term		Short Term	
		March-13	March-12	**March-13**	March-12
Provision for Employee Benefits		**420.56**	294.25	**2,158.30**	1,727.60
Provision for Taxation		**-**	-	**57.72**	66.63
Proposed Dividend		**-**	-	**1,572.15**	1,275.90
Corporate Dividend Tax		**-**	-	**286.95**	209.30
Contingencies for probable obligations	A	**-**	-	**13,692.72**	11,712.35
Provision for MTM Loss on Interest Rate Swap		**-**	-	**121.08**	110.26
Other Provisions		**-**	6.48	**-**	-
TOTAL		**420.56**	300.73	**17,888.92**	15,102.04
Share of jointly controlled entities		**15.55**	15.23	**112.71**	88.27

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

Particulars	Opening Balance	Addition during the year*	Utilization during the year**	Reversals during the year**	Closing Balance***
Excise	0.39	7.84	0.38	-	7.85
Sales Tax	216.52	577.25	2.25	0.01	791.51
Entry Tax	11,453.99	1,405.17	-	-	12,859.16
Others	41.45	6.00	0.72	12.53	34.20
TOTAL	**11,712.35**	**1,996.26**	**3.35**	**12.54**	**13,692.72**
Previous Year	1,498.21	10,269.54	2.46	52.94	11,712.35

* Additions include:	**March-13**	March-12
- capitalized	**69.47**	0.09
- included in Raw Material and Other Expenses	**865.15**	686.86
- included in Finance Cost	**632.18**	0.48
- shown as Exceptional Item	**-**	7,707.82
- amount transferred from liabilities to provisions	**-**	1,781.24

** Utilization/reversal of provision includes ₹ **0.16 crore** (2012: ₹ NIL crore) out of provision capitalized and ₹ **NIL** (2012: ₹ 0.13 crore) out of provision included in Raw Material.

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

NOTE - 8: SHORT TERM BORROWINGS

[Item No. 5(a), Page No. 152]

(₹ in Crore)

Particulars		March-13	March-12
SECURED LOANS			
Loans Repayable on Demand			
From Banks:			
Working Capital Demand Loan	**4,722.23**		5,712.67
Cash Credit	**2,239.05**		230.96
Foreign Currency Loans	**651.48**		46.53
		7,612.76	5,990.16
From Others:			
Loans through Collaterised Borrowings and Lending Obligation (CBLO) of Clearing Corporation of India Ltd. (CCIL)		**2,630.00**	1,827.00
Loans and advances from related parties		**0.02**	0.08
Total Secured Loans		**10,242.78**	7,817.24
UNSECURED LOANS			
Loans Repayable on Demand			
From Banks/Financial Institutions:			
In Foreign Currency	**32,441.09**		22,413.65
In Rupees	**16,904.37**		19,284.75
From Others			
Commercial Paper	**2,330.00**		4,760.00
Inter-Corporate Deposits	**-**		2,000.00
		51,675.46	48,458.40
Other Loans and Advances		**83.69**	28.85
Total Unsecured Loans		**51,759.15**	48,487.25
TOTAL SHORT-TERM BORROWINGS		**62,001.93**	56,304.49
Share of jointly controlled entities		**339.19**	43.42

NOTE - 9: TRADE PAYABLES

[Item No. 5(b), Page No. 152]

(₹ in Crore)

Particulars		March-13	March-12
Dues of Micro, Small and Medium Enterprises	**12.42**		12.24
Dues to Related Parties	**878.55**		665.90
Dues to others	**32,698.59**		31,531.85
		33,589.56	32,209.99
TOTAL		**33,589.56**	32,209.99
Share of jointly controlled entities		**890.48**	543.91

NOTE - 10: TANGIBLE ASSETS

[Item No. 6(a)(i), Page No. 152]

	AT COST					DEPRECIATION,	
	Gross Block as at 1.04.12	Additions during the year	Transfers from Construction Work-in-Progress	Disposals / Deductions / Transfers / Reclassifications	Gross Block as at 31.03.13	Depreciation, Depletion & Amortisation as at 1.04.12	Depreciation Depletion and Amortisation during the year
Land - Freehold	1250.39	74.80	0.01	(14.87)	1310.33	0.00	0.00
- Leasehold	515.84	226.91	1.66	(0.16)	744.25	96.76	19.06
Buildings, Roads etc.	9071.62	102.12	635.40	(30.62)	9778.52	1566.04	190.25
Plant and Equipment	92024.40	3446.89	3485.65	(828.07)	98128.87	39026.75	5168.41
Office Equipments	1824.00	143.39	76.58	(80.51)	1963.46	860.74	137.41
Transport Equipments	419.90	29.66	2.35	(5.52)	446.39	324.71	17.93
Furnitures and Fixtures	320.80	39.30	7.93	(7.80)	360.23	169.21	19.26
Railway Sidings	211.80	0.74	0.02	(3.47)	209.09	128.79	8.55
Drainage, Sewage and Water Supply System	384.12	7.43	1.29	(4.51)	388.33	214.86	12.14
E&P Producing Properties	0.00	71.55	0.00	0.00	71.55	0.00	4.89
Total	**106022.87**	**4142.79**	**4210.89**	**(975.53)**	**113401.02**	**42387.86**	**5577.90**
Previous Year	99332.83	3390.91	4824.16	(1525.03)	106022.87	37715.96	4847.72

A 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. In view of the assumption being technical, peculiar to the industry and policy matter, the auditors have relied on the same.

B Land & Buildings include ₹ **63.87 crore** (2012: ₹ 95.12 crore) in respect of which Title / Lease Deeds are pending for execution or renewal.
Net Tangible Assets include ₹ **1095.64 crore** (2012 : ₹ 741.24 crore) share of jointly controlled entities.

NOTE - 11: INTANGIBLE ASSETS

[Item No. 6(a)(ii), Page No. 152]

		AT COST					DEPRECIATION,	
		Gross Block as at 1.04.12	Additions during the year	Transfers from Construction Work-in-Progress	Disposals / Deductions / Transfers / Reclassifications	Gross Block as at 31.03.13	Total Amortisation as at 1.04.12	Amortisation during the year
Right of Way		135.97	13.61	0.00	(0.16)	149.42	0.23	8.59
Licenses		1257.23	14.31	0.29	17.85	1289.68	489.72	128.27
Computer Software		163.13	17.26	5.23	3.66	189.28	130.91	22.68
Goodwill	A	27.00	0.00	0.00	34.64	61.64	0.00	1.37
Other Intangible Assets		0.00	0.47	0.00	8.70	9.17	0.00	0.98
Total		**1583.33**	**45.65**	**5.52**	**64.69**	**1699.19**	**620.86**	**161.89**
Previous Year		1517.04	89.01	3.32	(26.04)	1583.33	467.36	153.50

A. Goodwill is due to the excess of purchase consideration paid to the Government of Sri Lanka and Ceylon Petroleum Corporation over the net assets value representating applicable shares alloted in the acquisition of retail outlets.

Net Intangible Assets include ₹ **46.99 crore** (2012: ₹ 3.99 crore) share of jointly controlled entities.

(₹ in Crore)

DEPLETION, AMORTISATION AND IMPAIRMENT						NET BLOCK	
Disposals / Deductions / Transfers / Reclassifications	Total Depreciation, Depletion and Amortisation upto 31.03.13	Total Impairment Loss as at 1.04.12	Impairment Loss during the year (Refer A)	Impairment loss reversed during the year	Total Impairment Loss upto 31.03.13	AS AT 31.03.13	AS AT 31.03.12
0.00	0.00	0.00	0.00	0.00	0.00	1310.33	1250.39
0.56	116.38	0.00	0.00	0.00	0.00	627.87	419.08
2.66	1758.95	0.00	0.00	0.00	0.00	8019.57	7505.58
(290.93)	43904.23	34.32	0.00	(34.32)	0.00	54224.64	52963.33
(49.35)	948.80	0.00	0.00	0.00	0.00	1014.66	963.26
(4.91)	337.73	0.00	0.00	0.00	0.00	108.66	95.19
(6.95)	181.52	0.00	0.00	0.00	0.00	178.71	151.59
(2.48)	134.86	0.00	0.00	0.00	0.00	74.23	83.01
(4.34)	222.66	0.00	0.00	0.00	0.00	165.67	169.26
0.00	4.89	0.00	0.00	0.00	0.00	66.66	0.00
(355.74)	**47610.02**	**34.32**	**0.00**	**(34.32)**	**0.00**	**65791.00**	**63600.69**
(175.82)	42387.86	34.32	0.00	0.00	34.32	63600.69	

(₹ in Crore)

DEPLETION, AMORTISATION AND IMPAIRMENT					NET BLOCK	
Disposals / Deductions / Transfers / Reclassifications	Total Amortisation upto 31.03.13	Total Impairment Loss as at 1.04.12	Impairment Loss during the year	Total Impairment Loss upto 31.03.13	AS AT 31.03.13	AS AT 31.03.12
(0.01)	8.81	0.00	0.00	0.00	140.61	135.74
(0.29)	617.70	1.65	(1.65)	0.00	671.98	765.86
1.71	155.30	0.00	0.00	0.00	33.98	32.22
11.83	13.20	0.00	0.00	0.00	48.44	27.00
7.29	8.27	0.00	0.00	0.00	0.90	0.00
20.53	**803.28**	**1.65**	**(1.65)**	**0.00**	**895.91**	**960.82**
0.00	620.86	1.65	0.00	1.65	960.82	

NOTE - 12: CAPITAL WORK IN PROGRESS

[Item No. 6(a)(iii), Page No. 152]

(₹ in Crore)

Particulars			March-13	March-12
Construction Work in Progress - Tangible Assets (Including unallocated capital expenditure, materials at site)	A	**10,533.07**		9,068.65
Less: Provision for Capital Losses		**138.89**		143.86
			10,394.18	8,924.79
Capital stores		**4,786.77**		2,379.40
Less: Provision for Capital Losses		**0.03**		0.20
			4,786.74	2,379.20
Capital Goods in Transit			**324.47**	1,889.37
Construction Period Expenses pending allocation:				
Balance as at beginning of the year		**1,979.02**		926.15
Add: Net expenditure during the year (Note -"12.1")		**1,807.87**		1,506.62
		3,786.89		2,432.77
Less: Allocated to Assets during the year		**300.22**		453.75
			3,486.67	1,979.02
TOTAL			**18,992.06**	15,172.38
Share of jointly controlled entities			**769.14**	730.84

A. Includes Capital Expenditure amounting to ₹ **342.91 crore** (2012 : ₹ 176.83 crore) relating to ongoing Oil & Gas Exploration activities.

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

(₹ in Crore)

Particulars	March-13	March-12
Employee Benefit Expenses	**263.87**	191.36
Repairs and Maintenance	**10.79**	7.08
Consumption of Stores and Spares	**3.60**	0.05
Power & Fuel	**53.31**	48.34
Rent	**7.55**	4.82
Insurance	**39.09**	40.92
Rates and Taxes	**0.36**	0.84
Travelling Expenses	**35.35**	27.16
Communication Expenses	**1.72**	1.43
Printing and Stationery	**1.00**	0.94
Electricity and Water Charges	**11.16**	11.44
Bank Charges	**0.84**	0.68
Technical Assistance Fees	**0.11**	0.54
Exchange Fluctuation	**593.99**	544.43
Finance Cost	**766.04**	617.64
Depreciation, Depletion and Amortisation on		
Tangible Assets	**29.27**	17.29
Intangible Assets	**0.21**	0.06
Start Up/ Trial Run Expenses	**-**	2.92
Others	**50.17**	47.21
Total Expenses	**1,868.43**	1,565.15
Less : Recoveries	**60.56**	58.53
Net Expenditure during the year	**1,807.87**	1,506.62

NOTE - 13: INTANGIBLE ASSETS UNDER DEVELOPMENT

[Item No. 6(a)(iv), Page No. 152]

(₹ in Crore)

Particulars	March-13	March-12
Work in Progress - Intangible Asset (Including Unallocated Capital Expenditure)	**290.71**	277.26
TOTAL	**290.71**	277.26
Share of jointly controlled entities	**-**	0.01

Note - 14: INVESTMENTS

[Item No. 6(b) & 8(a), Page No. 152 & 153]

(₹ in Crore)

Particulars		March-13	March-12
NON CURRENT INVESTMENTS: (AT COST)			
QUOTED: (Market Value of ₹ **22,828.81 crore** (2012: ₹ 20,174.50 crore)		**3,026.16**	3,028.15
UNQUOTED:			
In Government - Securities		**6.24**	6.25
In Petroleum India International (AOP by Oil Companies)			
- Capital Fund	**20.00**		20.00
- Share in accumulated surlpus	**27.21**		24.85
		47.21	44.85
In Others		**614.22**	733.84
		667.67	784.94
CURRENT INVESTMENTS (UNQUOTED): (AT LOWER OF COST OR MARKET PRICE)			
Oil Companies GOI SPL Bonds	**14,469.04**		15,354.68
Less: Provision for Diminution	**830.44**		1,594.23
	13,638.60		13,760.45
In Others	**18.35**		14.38
		13,656.95	13,774.83
Total		**17,350.78**	17,587.92
Share of jointly controlled entities		**35.91**	226.84

NOTE - 15: LOANS AND ADVANCES

[Item No. 6(d) & 8(e), Page No. 152 & 153]

(₹ in Crore)

Particulars	Long Term			Short Term		
	March-13		March-12	**March-13**		March-12
Advance for Capital Expenditure						
Secured, Considered Good	**129.60**		199.91	-		-
Unsecured, Considered Good	**9,451.10**		8,012.87	-		-
Unsecured, Considered Doubtful	**0.10**		0.20	-		-
	9,580.80		8,212.98	-		-
Less: Provision for Doubtful Advance	**0.10**		0.20	-		-
		9,580.70	8,212.78		**-**	-
Advances for Investments						
Joint Ventures		**12.67**	12.67		-	-
Advance recoverable in cash or in kind or for value to be received:						
From Related Parties						
Secured, Considered Good	**0.08**		0.05	**0.04**		0.01
Unsecured, Considered Good	**75.62**		68.21	**27.43**		16.54
Unsecured, Considered Doubtful	**-**		-	**2.25**		2.22
	75.70		68.26	**29.72**		18.77
Less : Provision for Doubtful Advances	**-**		-	**2.25**		2.22
	75.70		68.26	**27.47**		16.55
From Others						
Secured, Considered Good	**826.22**		829.67	**80.98**		89.79
Unsecured, Considered Good	**1,400.60**		1,345.93	**2,742.91**		3,141.96
Unsecured, Considered Doubtful	**0.33**		0.33	**5.44**		4.98
	2,227.15		2,175.93	**2,829.33**		3,236.73
Less : Provision for Doubtful Advances	**0.33**		0.33	**5.44**		4.98
	2,226.82		2,175.60	**2,823.89**		3,231.75
		2,302.52	2,243.86		**2,851.36**	3,248.30
Amount Recoverable from Central/State Govt.:						
Unsecured, Considered Good		**-**	-		**23,843.23**	20,926.89
Finance Lease Receivables		**7.34**	8.89		**1.54**	1.40
Claims Recoverable:						
From Related Parties						
Unsecured, Considered Good	**-**		-	**1.39**		17.16
Unsecured, Considered Doubtful	**-**		-	**17.01**		17.01
	-		-	**18.40**		34.17
From Others						
Secured, Considered Good	**-**		-	**8.12**		-
Unsecured, Considered Good	**-**		-	**1,562.65**		1,107.29
Unsecured, Considered Doubtful	**0.12**		0.12	**81.49**		49.41
	0.12		0.12	**1,652.26**		1,156.70
Less : Provision for Doubtful Claims	**0.12**		0.12	**98.50**		66.42
	-		-	**1,553.76**		1,090.28
		-	-		**1,572.16**	1,124.45

Contd...

NOTE - 15: LOANS AND ADVANCES (Contd.)

(₹ in Crore)

Particulars	Long Term			Short Term		
		March-13	March-12		**March-13**	March-12
Balance with Customs, Port Trust and Excise Authorities:						
Unsecured, Considered Good		**-**	-		**51.60**	38.25
Deposits for Leave Encashment Fund		**-**	-		**1,955.06**	1,784.69
Advance Tax		**-**	-		**657.48**	469.20
Mat Credit Receivable		**-**	-		**1,149.54**	691.99
Materials given on loan:						
To Related Parties						
Secured, Considered Good	**-**		-	**0.08**		-
Less: Deposits received	**-**		-	**0.08**		-
		-	-		**-**	-
Sundry Deposits						
a) To Related Parties						
Unsecured, Considered Good	**57.86**		-	**-**		-
	57.86		-	**-**		-
b) To Others						
Secured, Considered Good	**9.23**		9.04	**-**		0.10
Unsecured, Considered Good	**259.19**		218.20	**5,243.00**		4,629.43
Unsecured, Considered Doubtful	**0.04**		0.04	**0.31**		0.32
	268.46		227.28	**5,243.31**		4,629.85
	326.32		227.28	**5,243.31**		4,629.85
Less : Provision for Doubtful Deposits	**0.04**		0.04	**0.31**		0.32
		326.28	227.24		**5,243.00**	4,629.53
TOTAL		**12,229.51**	10,705.44		**37,324.97**	32,914.70
Share of jointly controlled entities		**521.86**	219.41		**193.46**	102.71

NOTE - 16: OTHER ASSETS

[Item No. 6(e) & 8(f), Page No. 152 & 153]

(₹ in Crore)

Particulars	Non Current			Current		
		March-13	March-12		March-13	March-12
Interest Accrued on Investments/ Bank Deposits		**-**	-		**159.16**	168.16
Gold Coins in Hand (at Cost)		**-**	-		**5.66**	4.40
Receivable from IOC Shares Trust	-		-	**1,989.78**		1,989.78
Less : Provision for Diminution	-		-	**348.63**		458.78
		-	-		**1,641.15**	1,531.00
Premium on Forward Contract (Refer Note 6):						
As per Last account	**3.57**		21.19			
Add:-Expenditure during the year	**16.15**		111.11			
	19.72		132.30			
Less:Amortised during the year	**19.72**		128.73			
Less:Current Portion	**-**		3.95			
		-	-		**-**	3.95
Discount on Issue of Bonds:						
As per Last account	**20.16**		5.41			
Add:-Expenditure during the year	**-**		17.32			
	20.16		22.73			
Less:Amortised during the year	**3.15**		2.57			
Less:Current Portion	**3.15**		3.15			
		13.86	17.01		**3.15**	3.15
Dismantled Capital Assets Held for Disposal		**-**	-		**23.86**	19.41
Others		**1,268.01**	3.43		**1,299.94**	602.18
TOTAL		**1,281.87**	20.44		**3,132.92**	2,332.25
Share of jointly controlled entities		**1,268.01**	3.43		**732.73**	256.61

NOTE - 17: INVENTORIES

[Item No. 8(b), Page No. 153]

(₹ in Crore)

Particulars		March-13	March-12
In Hand:			
Stores, Spares etc.	**3,224.30**		2,709.33
Less : Provision for Losses	**153.93**		132.57
		3,070.37	2,576.76
Raw Materials		**18,437.13**	18,167.63
Finished Products		**22,342.24**	19,923.28
Stock in Trade		**6,857.79**	4,845.86
Stock in Process		**6,107.28**	5,737.68
WIP - Construction Contracts		**37.63**	17.12
Barrels and Tins		**35.52**	32.14
		56,887.96	51,300.47
In Transit:			
Stores & Spares etc.		**130.23**	145.36
Raw Materials		**8,464.70**	11,998.38
Finished Products		**1.14**	2.21
Stock in Trade		**1,120.27**	404.62
		9,716.34	12,550.57
TOTAL		**66,604.30**	63,851.04
Share of jointly controlled entities		**365.85**	207.30

NOTE - 18: TRADE RECEIVABLES

[Item No. 8(c), Page No. 153]

(₹ in Crore)

Particulars		March-13	March-12
Over Six Months:			
From Others			
Unsecured, Considered Good	**1,386.88**		1,495.32
Unsecured, Considered Doubtful	**134.19**		140.63
		1,521.07	1,635.95
Other Debts:			
From Related Parties			
Unsecured, Considered Good	**95.05**		38.91
From Others			
Secured Considered Good	**145.48**		49.87
Unsecured, Considered Good	**10,872.10**		9,973.20
Unsecured, Considered Doubtful	**55.55**		74.12
	11,073.13		10,097.19
		11168.18	10,136.10
TOTAL		**12,689.25**	11,772.05
Less : Provision for Doubtful Debts		**189.74**	214.75
TOTAL		**12,499.51**	11,557.30
Share of jointly controlled entities		**578.76**	406.53

NOTE - 19: CASH AND BANK BALANCES

[Item No. 8(d), Page No. 153]

(₹ in Crore)

Particulars			March-13	March-12
Cash and Cash Equivalents				
Bank Balances with Scheduled Banks:				
Current Account		**263.08**		317.63
Fixed Deposit - Maturing within 3 months		**625.38**		155.48
Earmarked Balances	A	**46.24**		43.48
			934.70	516.59
Bank Balances with Non-Scheduled Banks:				
Bank of Commerce & Development, Libya		**0.53**		0.50
Myanmar Economic Bank Branch(5), Rangoon	B	**0.01**		0.01
Others		**-**		3.06
			0.54	3.57
Cheques, Drafts in hand			**159.76**	152.87
Cash Balances, Including Imprest			**8.21**	3.66
Other Bank Balances				
Fixed Deposit		**113.36**		144.22
Blocked Account		**3.23**		1.04
			116.59	145.26
TOTAL			**1,219.80**	821.95
Share of jointly controlled entities			**458.53**	319.49

A) Mainly Pertains to Unpaid Dividend/Fractional Share Warrants.
B) There exists restrictions on repatriation of said amount from Myanmar.

NOTE - 20: REVENUE FROM OPERATIONS

[Item No. 1(a), Page No. 154]

(₹ in Crore)

Particulars			March-13	March-12
Sale of Products		**4,36,997.82**		3,92,478.69
Less: Discounts		**5,057.82**		4,434.77
Sales (Net of Discounts)		**4,31,940.00**		3,88,043.92
Sale of Services		**1,664.37**		981.12
Other Operating Revenues (Note - "20.1")		**1,029.96**		1,691.57
			4,34,634.33	3,90,716.61
Net Claim/(Surrender) of SSC			**(304.78)**	-
Subsidy From Central/State Govt.	A		**1,782.24**	1,820.28
Grant from Government of India	B		**53,278.07**	45,485.84
TOTAL			**4,89,389.86**	4,38,022.73

A. Subsidies on sales of SKO (PDS) and LPG (Domestic) in India amounting to ₹ **1,729.72 crore** (2012: ₹ 1,770.98 crore) and subsidies on sales of SKO & LPG to customers in Bhutan amounting to ₹ **52.52 crore** (2012: ₹ 49.30 crore) have been reckoned as per the schemes notified by Government of India.

B1. The Group has accounted for Budgetary Support of ₹ **53,278.07 crore** towards under-recovery on sale of regulated products viz HSD, SKO (PDS) and LPG (Domestic) for the current year [2012: ₹ 45,485.84 crore] in the Statement of Profit and Loss as Revenue Grants.

B2. In line with the scheme formulated by Petroleum Planning and Analysis Cell (PPAC), the Group has received during the year, discounts of ₹ **31,966.84 crore** (2012: ₹ 29,619.23 crore) on Crude Oil/Products purchased from ONGC/GAIL/OIL and the same has been adjusted against the purchase cost. In addition an amount of ₹ **NIL** (2012: ₹ 341.50 crore) received from OIL has been accounted as other Operating Revenue.

NOTE - 20.1: OTHER OPERATING REVENUES

(₹ in Crore)

Particulars	March-13	March-12
Sale of Power and Water	**49.57**	17.11
Unclaimed / Unspent liabilities written back	**60.13**	123.69
Provision for Doubtful Debts, Advances, Claims, and Stores written back	**51.50**	288.68
Provision for Contingencies written back	**15.73**	55.27
Recoveries from Employees	**17.37**	15.56
Retail Outlet Licence Fees	**107.05**	104.43
Income from Non Fuel Business	**120.18**	100.35
Commission and Discount Received	**11.22**	23.21
Sale of Scrap	**111.55**	115.24
Income from Finance Leases	**1.04**	1.19
Amortisation of Capital Grants	**1.46**	1.19
Revenue Grants	**0.24**	-
Terminalling Charges	**20.83**	36.40
Other Miscellaneous Income	**462.09**	809.25
TOTAL	**1,029.96**	1,691.57

NOTE - 21: OTHER INCOME

[Item No. 1(b), Page No. 154]

(₹ in Crore)

Particulars			March-13	March-12
Interest on :				
Loans and Advances		**73.74**		60.96
Fixed Deposits with Banks		**19.15**		15.45
Short Term Deposits with Banks		**0.26**		0.84
Customers Outstandings		**356.55**		415.97
Oil Companies GOI SPL Bonds		**1,118.85**		1,171.94
Others		**175.84**		189.50
			1,744.39	1,854.66
Dividend :				
From Related Parties		**107.00**		48.63
From Other Companies		**860.80**		731.90
			967.80	780.53
Profit on Sale of Investments (Net)			**28.01**	-
Provision for Investment Written Back (Net)			**634.15**	-
Provision for Diminution in Trust Written Back (Net)			**110.15**	513.21
Other Non Operating Income	A		**27.14**	39.76
TOTAL			**3,511.64**	3,188.16
A. Includes share of profit in Petroleum India International			**2.36**	2.16

NOTE - 22: COST OF MATERIAL CONSUMED

[Item No. 2(a), Page No. 154]

(₹ in Crore)

Particulars	March-13	March-12
Raw Material Consumed:		
Opening Balance	**30,166.01**	25,214.53
Add: Purchases	**261,332.84**	248,611.76
	291,498.85	273,826.29
Less: Closing Stock	**26,901.83**	30,166.01
TOTAL	**264,597.02**	243,660.28

NOTE - 23: CHANGE IN INVENTORY

[Item No. 2(c), Page No. 154]

(₹ in Crore)

Particulars		March-13	March-12
Closing Stock			
Finished Products	**22,343.38**		19,925.49
Stock in Process	**6,107.28**		5,737.68
Stock- in - trade	**7,978.06**		5,250.48
		36,428.72	30,913.65
Less:			
Opening Stock			
Finished Products	**19,925.49**		17,618.95
Stock in Process	**5,737.68**		4,531.60
Stock - in - Trade	**5,250.48**		5,292.15
		30,913.65	27,442.70
Net Increase/(Decrease)		**5,515.07**	3,470.95

NOTE - 24: EMPLOYEE BENEFIT EXPENSES

[Item No. 2(d), Page No. 154]

(₹ in Crore)

Particulars	March-13	March-12
Salaries, Wages, Bonus etc.	**4,740.08**	3,796.05
Contribution to Provident & Other Funds	**1,895.85**	822.66
Voluntary Retirement Compensation	**81.47**	13.13
Staff Welfare Expenses	**1,066.48**	665.15
TOTAL	**7,783.88**	5,296.99

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

NOTE - 25: FINANCE COST

[Item No. 2(e), Page No. 154]

(₹ in Crore)

Particulars		March-13	March-12
Interest Payments on:			
Fixed period loans from Banks/Financial Institutions/Others	562.47		611.13
Bonds/Debentures	403.22		482.99
Short Term loans from Banks	2,264.80		2,125.70
Others	2,741.80		1,718.59
		5,972.29	4,938.41
Other Borrowing Cost		61.32	38.81
Applicable Net (Gain)/Loss on Foreign Currency Transactions and Translation		1,049.91	917.43
TOTAL		7,083.52	5,894.65

NOTE - 26: OTHER EXPENSES

[Item No. 2(g), Page No. 154]

(₹ in Crore)

Particulars		March-13	March-12
Consumption:			
a) Stores, Spares and Consumables	1,135.56		953.44
b) Packages & Drum Sheets	440.56		382.06
		1,576.12	1,335.50
Power & Fuel	25,198.48		22,879.50
Less : Fuel from own production	19,755.86		18,997.71
		5,442.62	3,881.79
Throughput, Processing & Blending Fees, Royalty and Other Charges		491.66	490.29
Octroi, Other Levies and Irrecoverable taxes		955.45	976.57
Repairs and Maintenance			
i) Plant & Machinery	1,937.31		1,587.83
ii) Buildings	172.05		159.21
iii) Others	159.34		126.19
		2,268.70	1,873.23
Freight, Transportation Charges and Demurrage		8,694.51	7,508.52
Office Administration, Selling and Other Expenses (Note - 26.1)		7,005.88	8,166.13
TOTAL		26,434.94	24,232.03
Less: Company's use of own Products and Crude		902.15	880.87
		25,532.79	23,351.16
Duties (Net)		87.96	(583.02)
TOTAL (Net)		25,620.75	22,768.14

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

(₹ in Crore)

Particulars		March-13	March-12
Rent		**379.42**	358.95
Insurance		**131.72**	110.27
Rates & Taxes		**146.92**	75.08
Donations		**5.07**	9.05
Payment to auditors			
a) Audit Fees	**1.90**		1.54
b) Tax Audit Fees	**0.14**		0.13
c) Other Services(for issuing certificates etc.)	**0.43**		0.36
d) Out of Pocket Expenses	**0.70**		0.42
		3.17	2.45
Travelling & Conveyance		**489.66**	371.43
Communication Expenses		**59.63**	50.35
Printing & Stationery		**32.52**	31.79
Electricity & Water		**233.71**	201.45
Bank Charges		**48.08**	53.68
Bad Debts, Advances & Claims written off		**3.45**	49.21
Provision/ Loss on Assets sold or written off (Net)		**28.66**	5.08
Technical Assistance Fees		**23.29**	29.58
Exchange Fluctuation (net)		**1,838.63**	3,182.86
Provision for Doubtful Debts, Advances, Claims, CWIP, Stores etc.		**73.33**	59.17
Provision for Dimunition in Investments		**-**	418.15
Security Force Expenses		**301.38**	268.03
Sales Promotion Expenses (Incl. Commission)		**622.94**	494.19
Handling Expenses		**261.91**	214.47
Expenses on Enabling Facilities		**60.81**	24.00
Commodity Hedging Losses (Net)		**0.34**	328.13
Terminalling Charges		**22.51**	20.06
Provision for Probable Contingencies		**429.46**	93.05
Exploration & Production Cost		**213.33**	180.23
Amortisation of Premium on Forward Contracts		**19.72**	89.66
MTM Loss on Interest Rate Swap		**10.81**	110.26
Loss on Sale of Investments (Net)		**-**	18.87
Expenses on CSR Activities		**82.88**	78.47
Miscellaneous Expenses		**1,482.53**	1,238.16
TOTAL		**7,005.88**	8,166.13

A. In respect of Oil and Gas Exploration activities, Revenue Expenditure amounting to ₹ **213.33 crore** (2012 : ₹ 180.23 crore) and Capital Expenditure amounting to ₹ **166.08 crore** (2012 : ₹ (51.41) crore) of Oil and Gas Exploration Projects have been incorporated in these accounts on the basis of unaudited statements provided by respective operators of Production Sharing Contracts to the Company.

NOTE - 27: INCOME / EXPENSES RELATING TO PREVIOUS YEARS

[Item No. 4, Page No. 154] **(₹ in Crore)**

Particulars	March-13	March-12
Income:		
Miscellaneous Income	**(43.44)**	40.91
Total Income	**(43.44)**	40.91
Expenditure:		
Purchase of Products and Crude	**(40.76)**	0.16
Depreciation and Amortization on:		
Tangible Assets	**11.67**	(326.05)
Intangible Assets	**7.14**	0.66
Consumption of Stores, Spares and Consumables	**(27.04)**	(1.27)
Technical fees	**0.70**	1.30
Power and Fuel	**(7.34)**	(1.22)
Repairs and Maintenance	**2.72**	7.93
Interest	**(0.36)**	6.96
Rent	**-**	0.08
Rates & Taxes	**0.20**	1.45
Employee Benefit Expenses	**0.45**	16.38
Other Expenses	**6.02**	64.28
Total Expediture	**(46.60)**	(229.34)
NET INCOME /(EXPENDITURE)	**3.16**	270.25

NOTE - 28: CONTINGENT LIABILITIES & COMMITMENTS

A. Contingent Liabilities

A.1 Contingent Liabilities amounting to ₹ **12,104.56 crore** (2012: ₹ 9,784.10 crore) are as under :

A.1.1 ₹ **5,164.02 crore** (2012: ₹ 4,880.81 crore) being the demands raised by the Central Excise /Customs/ VAT/ Sales Tax Authorities including interest of ₹**1,654.32 crore** (2012 : ₹ 1,696.33 crore) .

A.1.2 ₹ **1,294.80 crore** (2012: ₹ 1,244.75 crore) in respect of demands for Entry Tax from State Governments including interest of ₹ **44.94 crore** (2012: ₹ 63.69 crore).

A.1.3 ₹ **3,019.53 crore** (2012: ₹ 2,126.71 crore) in respect of Income Tax demands including interest of ₹ **268.22 crore** (2012 : ₹ 302.24 crore).

A.1.4 ₹ **1,943.37crore** (2012: ₹ 912.69 crore) including ₹ **1,613.23 crore** (2012: ₹ 609.89 crore) on account of Projects for which suits have been filed in the Courts or cases are lying with Arbitrator.This includes interest of ₹**37.81 crore** (2012: ₹29.68 crore).

A.1.5 ₹ **682.84 crore** (2012: ₹619.14 crore) in respect of other claims including interest of ₹ **98.73 crore** (2012 : ₹ 70.91 crore).

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

A.2 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.

B. Commitments

B.1 **Capital Commitments**

Estimated amount of contracts remaining to be executed on Capital Account not provided for ₹ **15,428.30 crore** (2012: ₹ 19,115.10 crore).

B.2 **Other Commitments**

The Group has an export obligation to the extent of ₹ **3,200.51 crore** (2012: ₹ 3,226.10 crore) on account of concessional rate of customs duty availed under EPCG license scheme on import of capital goods.

NOTE - 29: EMPLOYEE BENEFITS

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 as under:

(a) Provident Fund

During the year, the Group has recognised ₹ **312.99 crore** (2011-12 : ₹ 280.43 crore) as Employer's contribution to Provident Fund in the Statement of Profit and Loss (included in Contribution to Provident and Other Funds in Note - 24).

(b) Pension Scheme

During the year, the Group has recognised ₹ **243.91 crore** (2011-12 : ₹ 348.65 crore) towards Defined Contributory Employees Pension Scheme in the Statement of Profit and Loss (included in Contribution to Provident and Other Funds in Note - 24).

(c) Reconciliation of balance of Defined Benefit Obligation

(₹ in Crore)

	Gratuity		Leave Encashment		PRMS		Resettlement Allowance	Long Service Award	Staff Pension Fund at AOD
	Funded	Non-Funded	Funded	Non-Funded	Funded	Non-Funded	Non-Funded	Non-Funded	Funded
Defined Obligation at the beginning of the year	**1,451.03** 1,445.66	**1.58** 1.65	**4.59** 4.29	**1,683.22** 1,631.50	**882.94** 829.99	**31.49** 20.56	**79.36** 83.00	**219.53** 112.29	**7.97** 9.28
Transalation Difference	**-** -	**0.11** -	**-** -	**-** -	**-** -	**-** -	**-** -	**-** -	**-** -
Current Service Cost	**14.40** 18.28	**0.15** 0.06	**0.25** 0.22	**116.55** 53.56	**61.85** 52.90	**0.47** 0.43	**7.55** 3.45	**34.27** 20.19	**0.21** 0.24
Interest Cost	**124.90** 116.88	**0.17** 0.15	**0.37** 0.30	**143.80** 130.76	**76.20** 70.00	**2.58** 2.42	**7.33** 7.06	**20.34** 10.23	**0.64** 0.68
Past Service Cost	**-** -	**-** -	**-** (0.08)	**-** -	**708.90** -	**-** 9.06	**-** -	**-** -	**-** -
Benefits paid	**(131.52)** (108.14)	**(0.12)** (0.23)	**(0.70)** (1.14)	**(258.31)** (213.30)	**(100.15)** (70.39)	**(1.13)** (0.86)	**(3.97)** (2.66)	**(34.98)** (17.59)	**(1.17)** (2.07)
Actuarial (gain)/ loss on obligations	**61.46** (21.65)	**(0.10)** (0.05)	**0.99** 1.00	**407.18** 80.70	**55.98** 0.44	**2.37** (0.12)	**(7.44)** (11.49)	**0.50** 94.41	**(0.04)** (0.16)
Defined Benefit Obligation at the end of the year	**1,520.27** 1,451.03	**1.79** 1.58	**5.50** 4.59	**2,092.44** 1,683.22	**1,685.72** 882.94	**35.78** 31.49	**82.83** 79.36	**239.66** 219.53	**7.61** 7.97

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

(₹ in Crore)

	Gratuity		Leave Encashment		PRMS		Resettlement Allowance	Long Service Award	Staff Pension Fund at AOD
	Funded	Non-Funded	Funded	Non-Funded	Funded	Non-Funded	Non-Funded	Non-Funded	Funded
Fair Value of Plan Assets at the beginning of the year	**1,697.85** 1,554.96	**-** -	**4.31** 3.87	**-** -	**882.94** -	**-** -	**-** -	**-** -	**7.74** 8.17
Expected return on plan assets	**145.87** 128.64	**-** -	**0.39** 0.33	**-** -	**75.93** -	**-** -	**-** -	**-** -	**0.64** 0.68
Contribution by employer	**130.05** 103.77	**-** -	**1.11** 1.14	**-** -	**71.05** 901.37	**-** -	**-** -	**-** -	**-** 0.76
Benefit paid	**(131.52)** (108.14)	**-** -	**(0.70)** (1.14)	**-** -	**(100.15)** (70.39)	**-** -	**-** -	**-** -	**(1.17)** (2.07)
Actuarial gain / (losses)	**15.52** 18.62	**-** -	**0.02** 0.11	**-** -	**13.45** 51.96	**-** -	**-** -	**-** -	**(0.07)** 0.20
Fair value of plan assets at the end of the year	**1,857.77** 1,697.85	**-** -	**5.13** 4.31	**-** -	**943.22** 882.94	**-** -	**-** -	**-** -	**7.14** 7.74

Contd...

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

(₹ in Crore)

	Gratuity		Leave Encashment		PRMS		Resettlement Allowance	Long Service Award	Staff Pension Fund at AOD
	Funded	Non-Funded	Funded	Non-Funded	Funded	Non-Funded	Non-Funded	Non-Funded	Funded
Fair Value of Plan Assets	**1,857.77**	**-**	**5.13**	**-**	**943.22**	**-**	**-**	**-**	**7.14**
at the end of the year	1,697.85	-	4.31	-	882.94	-	-	-	7.74
Defined Benefit Obligation	**1,520.27**	**1.79**	**5.50**	**2,092.44**	**1,685.72**	**35.78**	**82.83**	**239.66**	**7.61**
at the end of the year	1,451.03	1.58	4.59	1,683.22	882.94	31.49	79.36	219.53	7.97
Amount recognised in the Balance Sheet	**(337.50)**	**1.79**	**0.37**	**2,092.44**	**742.50**	**35.78**	**82.83**	**239.66**	**0.47**
	(246.82)	1.58	0.28	1,683.22	-	31.49	79.36	219.53	0.23

(f) Amount recognised in CWIP / Statement of Profit and Loss

(₹ in Crore)

	Gratuity		Leave Encashment		PRMS		Resettlement Allowance	Long Service Award	Staff Pension Fund at AOD
	Funded	Non-Funded	Funded	Non-Funded	Funded	Non-Funded	Non-Funded	Non-Funded	Funded
Current Service Cost	**14.40**	**0.15**	**0.25**	**116.55**	**61.85**	**0.47**	**7.55**	**34.27**	**0.21**
	18.28	0.06	0.22	53.56	52.90	0.43	3.45	20.19	0.24
Interest Cost	**124.90**	**0.17**	**0.37**	**143.80**	**76.20**	**2.58**	**7.33**	**20.34**	**0.64**
	116.88	0.15	0.30	130.76	70.00	2.42	7.06	10.23	0.68
Expected (return) / loss on plan asset	**(145.87)**	**-**	**(0.39)**	**-**	**(75.93)**	**-**	**-**	**-**	**(0.64)**
	(128.64)	-	(0.33)	-	-	-	-	-	(0.68)
Past Service Cost	**-**	**-**	**-**	**-**	**708.90**	**-**	**-**	**-**	**-**
	-	-	(0.08)	-	-	9.06	-	-	-
Actuarial (gain)/ loss	**45.94**	**(0.10)**	**0.97**	**407.18**	**42.53**	**2.37**	**(7.44)**	**0.50**	**0.03**
	(40.27)	(0.05)	0.89	80.70	(51.52)	(0.12)	(11.49)	94.41	(0.36)
Expenses for the year	**39.37**	**0.22**	**1.20**	**667.53**	**813.55**	**5.42**	**7.44**	**55.11**	**0.24**
	(33.75)	0.16	1.00	265.02	71.38	11.79	(0.98)	124.83	(0.12)

(g) Major Actuarial Assumptions

	Gratuity		Leave Encashment		PRMS		Resettlement Allowance	Long Service Award	Staff Pension Fund at AOD
	Funded*	Non-Funded	Funded	Non-Funded*	Funded*	Non-Funded	Non-Funded*	Non-Funded*	Funded*
Discount rate	**8.25%**	**11.75%**	**8.00%**	**8.25%**	**8.25%**	**8.16%**	**8.25%**	**8.25%**	**8.25%**
	8.63%	10.63%	8.60%	8.63%	8.63%	8.30%	8.63%	8.63%	8.63%
Expected return on plan assets	**8.70%**	**-**	**8.50%**	**-**	**8.70%**	**-**	**-**	**-**	**9.00%**
	8.60%	-	8.50%	-	8.60%	-	-	-	9.00%
Salary escalation	**8.00%**	**4.00%**	**8.00%**	**8.00%**	**-**	**-**	**-**	**-**	**8.00%**
	8.00%	4.00%	8.00%	8.00%	-	-	-	-	8.00%
Inflation	**-**	**-**	**-**	**-**	**7.00%**	**7.00%**	**6.00%**	**-**	**-**
	-	-	-	-	7.00%	7.00%	6.00%	-	-

*Assumptions considered in acturial valuation of defined benefit obligations of Parent company.

NOTE - 30: SEGMENT INFORMATION

Information regarding Primary Segment Reporting as per AS-17 for the year ended March 31, 2013 is as under:

(₹ in Crore)

	March-13					March-12				
	Petroleum Products	Petro-chemicals	Other Businesses	Eliminations	Total	Petroleum Products	Petro-chemicals	Other Businesses	Eliminations	Total
Revenue										
External Revenue	435,649.07	15,596.49	10,534.11	-	461,779.67	390,542.92	11,174.09	7,205.99	-	408,923.00
Inter-segment Revenue	10,114.16	39.55	5,092.29	(15,246.00)	-	7,506.24	48.72	3,617.94	(11,172.90)	-
Total Revenue	**445,763.23**	**15,636.04**	**15,626.40**	**(15,246.00)**	**461,779.67**	**398,049.16**	**11,222.81**	**10,823.93**	**(11,172.90)**	**408,923.00**
Result										
Segment Results	9,213.76	528.93	197.57	-	9,940.26	17,665.72	(209.94)	308.56	-	17,764.34
Less:										
Finance Cost					7,083.52					5,894.65
Loss on Sale of Investments (Net)					-					18.87
Provision for diminution in Investments (Net)					-					418.15
Loss on sale and disposal of Assets					28.66					5.08
Exchange Loss (Net)					1,838.63					3,182.86
Add:										
Interest/Dividend Income					2,712.19					2,635.19
Profit on Sale of Investments (Net)					28.01					-
Provision for diminution in Investments written back (Net)					634.15					-
Provision for diminution in Trust written back (Net)					110.15					513.21
Other non operating income					27.14					39.76
Prior year income/(expenses) -net					3.16					270.25
Profit before Exceptional items and Tax					**4,504.25**					**11703.14**
Exceptional Items					-					(7,707.82)
Profit Before Tax					**4,504.25**					**3,995.32**
Less: Income Tax (including deferred tax)					876.95					(269.95)
Profit After Tax					**3,627.30**					**4,265.27**
Other Information										
Segment Assets	197,113.39	18,358.95	2,953.52	-	218,425.86	180,562.94	18,242.32	2,211.42	-	201,016.68
Corporate Assets					19,187.48					18,785.51
Total Assets					**237,613.34**					**219,802.19**
Segment Liabilities	73,338.27	437.60	1,716.11	-	75,491.98	68,066.41	828.66	1,025.57	-	69,920.64
Corporate Liabilities					97,909.38					87,588.84
Total Liabilities					**173,401.36**					**157,509.48**
Capital Employed										
Segment Wise	123,775.12	17,921.35	1,237.41		142,933.88	112,496.53	17,413.66	1,185.85		131,096.04
Corporate					(78,721.90)					(68,803.33)
					64,211.98					**62,292.71**
Capital Expenditure	13,452.17	317.54	569.49		14,339.20	14,690.62	196.88	429.56		15,317.06
Depreciation and Amortization	4,629.27	996.07	66.16		5,691.50	4,282.17	952.54	74.55		5,309.26

Notes:

1. The Group is engaged in the following business segments:
   a) Sale of Petroleum Products
   b) Sale of Petrochemicals
   c) Other Businesses, which comprises Sale of Gas, Explosives & Cryogenics, Wind Mill & Solar Power Generation and Oil & Gas Exploration Activities.

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

2. Segment Revenue comprises of the following:
   a) Turnover (Net of Excise Duties)
   b) Net Claim/(Surrender) of SSC
   c) Subsidy / Grants received from Government of India
   d) Other Operating Income
3. There are no reportable geographical segments.

NOTE - 31: RELATED PARTY DISCLOSURES

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

1. **Relationship**

A) **Details of Joint Venture Entities/Associates**

1) IOT Infrastructure & Energy Services Ltd.
2) Lubrizol India Pvt. Ltd
3) Petronet VK Ltd
4) IndianOil Petronas Pvt. Ltd
5) Avi-Oil India Pvt.Ltd
6) Petronet India Ltd.
7) Petronet LNG Ltd.
8) Green Gas Ltd.
9) IndianOil Panipat Power Consortium Ltd.
10) Petronet CI Ltd.
11) Indo Cat Pvt. Ltd.
12) IndianOil SkyTanking Ltd.
13) Suntera Nigeria 205 Ltd.
14) Delhi Aviation Fuel Facility Private Ltd.
15) Indian Synthetic Rubber Ltd.
16) Indian Oil Ruchi Biofuels LLP
17) NPCIL- IndianOil Nuclear Energy Corporation Ltd.
18) GSPL India Transco Ltd.
19) GSPL India Gasnet Ltd.
20) Petroleum India International - AOP (An Associate)
21) Indian Additives Ltd.
22) National Aromatics and petrochemicals Corporation Ltd.
23) Ceylon Petroleum Storage terminal Ltd.

B) **Whole-time Directors**

1) Shri R.S. Butola
2) Dr. R.K. Malhotra
3) Shri Sudhir Bhalla
4) Shri A.M.K. Sinha
5) Shri P.K. Goyal
6) Shri R.K.Ghosh
7) Shri Makarand Nene
8) Shri V.S. Okhde

2. **The following transactions were carried out with the related parties in the ordinary course of business:**

a) **Details relating to parties referred to in item number 1(A) above :**

(₹ in Crore)

		2012-13	2011-12
i)	**Sales** [Mainly includes sales to Indian Oil Petronas Pvt. Ltd. ₹ 513.77 crore (2011-12 : ₹ 85.70 crore) and Lubrizol India Pvt. Ltd ₹ 149.19 crore (2011-12 : ₹ 169.57 crore)]	**665.00**	256.06
ii)	**Interest received** [Includes interest received from IOT Infrastructure & Energy Services Ltd ₹ 0.05 crore (2011-12 : ₹ 0.02 crore) and Petronet VK Ltd. ₹ 0.03 crore (2011-12: ₹ 0.03 crore)]	**0.08**	0.05
iii)	**Consultancy Services/Other Income** [Mainly includes Consultancy Service/Other Income from Lubrizol India Pvt. Ltd. ₹ 72.00 crore (2011-12 : ₹ 34.56 crore), Petronet LNG Ltd. ₹ 27.12 crore (2011-12 : ₹ 23.21 crore) and Delhi Aviation Fuel Facility Pvt. Ltd. ₹ 15.18 crore (2011-12: Nil)]	**142.66**	81.78
iv)	**Purchase of Products** [Mainly includes Purchase of Products from Petronet LNG Ltd. ₹ 10,971.44 crore (2011-12 : ₹ 7,318.35 crores)]	**11,049.57**	7,387.95
v)	**Purchase of Chemicals/materials** [Mainly includes Purchase of chemicals /materials from Lubrizol India Pvt. Ltd ₹ 291.46 crore (2011-12 : ₹ 280.60 crore)].	**291.46**	280.73
vi)	**Handling Expenses** [Mainly includes Handling Expenses to Indian Oil Petronas Pvt Ltd ₹ 249.86 crores (2011-12 : ₹ 94.02 crores) and IndianOil Sky Tanking Ltd ₹ 178.07 crore (2011-12 : ₹ 208.79)]	**443.37**	316.10
vii)	**Freight Expenses** [Mainly includes Freight Expenses to Lubrizol India Pvt Ltd ₹ 0.37 crores (2011-12 : ₹ 0.31 crores)]	**0.37**	0.33
viii)	**Exploration & Production Expenses** [Exploration & Production Expenses to IOT Infrastructure & Energy Services Ltd ₹ 8.20 crores (2011-12 : ₹ 10.09 crores)]	**8.20**	10.09
ix)	**Reimbursement of Expenses** [Mainly includes Reimbursement of Expenses Indian Oil Petronas Pvt. Ltd. ₹ 2.67 crore (2011-12 : ₹ 2.27 crore) and IndianOil Sky Tanking Ltd ₹ 1.36 crores (2011-12 : ₹ 1.80 crore)]	**4.85**	5.25
x)	**Purchase/Acquistion of Fixed Assets incl. CWIP** [Includes Purchase/Acquisition of Fixed Assets incl. CWIP from IOT Infrastructure & Energy Services Ltd ₹ 86.74 crore (2011-12 : ₹ 256.88 crore)]	**86.74**	256.88

Contd...

(₹ in Crore)

		2012-13	2011-12
xi)	**Provisions made/(written off) during the year** [Mainly includes provision made against advance given to Petronet VK Ltd. ₹ 0.03 crore(2011-12: ₹ 0.15 crore)]	**0.03**	(40.38)
xii)	**Outstanding Receivables/ Loans Recoverable** [Mainly includes Outstanding Receivables from IOT Infrastructure & Energy Services Ltd ₹ 83.94 crore (2011-12 : ₹ 169.12 crore), Suntera Nigeria 205 Ltd ₹ 75.58 crores (2011-12 : ₹ 68.11 Crore) and IndianOil Petronas Pvt. Ltd ₹ 58.42 crore (2011-12: ₹ 20.92 crore)]	**244.11**	278.05
xiii)	**Outstanding Payables** [Mainly includes Outstanding payable to Petronet LNG. Ltd. ₹ 684.07 crore (2011-12 : ₹ 429.99 crore)]	**809.46**	642.86
xiv)	**Claims Recoverable** (Claims recoverable from National Aromatics and Petrochemicals Corporation Ltd. ₹ 14.40 crore (2011-12 : ₹ 14.40 crore)	**14.40**	14.40
xv)	**Provision for Doubtful Claims** (Provision for Doubtful Claims in respect of National Aromatics and Petrochemicals Corporation Ltd. ₹ 14.40 crore (2011-12 : ₹ 14.40 crore)	**14.40**	14.40

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

(₹ in Crore)

FY 2012-13

	Details of Whole-time Directors	Remuneration	Interest & Furniture Hire Charges	Outstanding loans/advances receivables
1)	Shri R.S. Butola	0.54	-	-
2)	Dr. R.K. Malhotra	0.54	-	-
3)	Shri Sudhir Bhalla	1.37	-	0.05
4)	Shri A.M.K. Sinha	0.46	-	-
5)	Shri P.K. Goyal	0.46	-	0.02
6)	Shri R.K. Ghosh	0.41	-	0.06
7)	Shri Makarand Nene	0.44	-	-
8)	Shri V.S. Okhade	0.34	-	-
	TOTAL	**4.56**	**-**	**0.13**

FY 2011-12

	Details of Whole-time Directors	Remuneration	Interest & Furniture Hire Charges	Outstanding loans/advances receivables
1)	Shri R.S. Butola	0.37	-	-
2)	Shri S.V. Narasimhan (upto 30.04.2011)	0.57	-	-
3)	Shri B.N. Bankapur (upto 31.08.2011)	0.54	-	-
4)	Shri G.C. Daga (upto 30.09.2011)	0.63	-	0.01
5)	Shri K.K. Jha (upto 31.01.2012)	0.41	0.01	-
6)	Dr. R.K. Malhotra	0.37	-	-
7)	Shri Sudhir Bhalla	0.40	-	0.05
8)	Shri A.M.K. Sinha	0.31	-	-
9)	Shri P.K. Goyal	0.42	-	0.02
10)	Shri R.K. Ghosh	0.29	-	0.08
11)	Shri Makarand Nene	0.20	-	-
12)	Shri V.S. Okhade	0.06	-	0.01
	TOTAL	**4.57**	**0.01**	**0.17**

Notes:

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

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 ₹ 520/- per mensem for car less than 16 hp or ₹780/- per mensem for car of above 16 hp as specified in the terms of appointment.

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 period, transactions w.e.f. date of constitution/acquisition is disclosed.

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

NOTE - 32: LEASES

Disclosure as required under Accounting Standard – 19 on "Leases":

Finance Leases on Tank Wagons:

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.

(₹ in Crore)

	Particulars	March-13	March-12
A.	Gross Investments in Finance Lease	**415.64**	415.64
	Less: Unearned Finance Income	**3.01**	4.05
	Less: Finance Income Received	**168.14**	167.10
	Less: Minimum Lease payment received	**235.61**	234.20
	Net Investment in Finance Lease as on Date	**8.88**	10.29
B.	Unearned finance Income	**3.01**	4.05
C.	Present Value of Minimum Lease Payments Receivable		
	Not Later than one year	**1.54**	1.41
	Later than one year and not later than five years	**6.71**	7.13
	Later than Five years	**0.63**	1.75
	Total	**8.88**	10.29
D.	Break-up of un-earned income		
	Not Later than one year	**0.90**	1.04
	Later than one year and not later than five years	**2.02**	2.75
	Later than Five years	**0.09**	0.26
	Total	**3.01**	4.05

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:

(₹ in Crore)

	Particulars	March-13	March-12
A.	Lease rentals recognized during the period	**76.64**	50.48
B.	Lease Obligations		
	- Not later than One Year	**65.95**	47.57
	- Later than one year and not later than five years	**230.42**	160.61
	- Later than five years	**671.78**	556.14

b) As Lessors

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

(₹ in Crore)

	Particulars	March-13	March-12
A.	Lease rentals recognized as income during the period	**1.62**	1.51
B.	Lease Rentals (Category of assets – Plant & Equipment)		
	- Gross Carrying Amount	**1.98**	2.05
	- Accumulated Depreciation	**1.27**	1.19
	- Depreciation recognized in Profit and Loss Account	**0.09**	0.09

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

NOTE - 33: EARNINGS PER SHARE (EPS)

[Item No. 12, Page No. 155]

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

	March-13	March-12
Profit for the Group (₹ in Crore)	**4,449.01**	4,225.98
Total Weighted Average number of equity shares used for computing Earning Per Share (Basic & Diluted)	**2427952482**	2427952482
Earning Per Share (Basic and Diluted) (₹)	**18.32**	17.41
Face value per share (₹)	**10/-**	10/-

NOTE - 34: INTEREST IN JOINT VENTURES

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

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

(a) Jointly Controlled Operations:-

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

Name	Participating Interest of IOC (%)	
	31.03.2013	31.03.2012
IN INDIA		
Under NELP Block		
MN-OSN-2000/2	**20.00**	20.00
AA-ONN-2001/2	**20.00**	20.00
MB-OSN-2004/1	**20.00**	20.00
MB-OSN-2004/2	**20.00**	20.00
KG-DWN-2005/1	**20.00**	20.00
GK-OSN-2009/1	**20.00**	20.00
GK-OSN-2009/2	**30.00**	30.00
CB-ONN-2010/6	**20.00**	20.00
Others		
AAP-ON-94/1	**43.55**	43.55
BK-CBM-2001/1	**20.00**	20.00
NK-CBM-2001/1	**20.00**	20.00
OUTSIDE INDIA		
FARSI BLOCK IRAN	**40.00**	40.00
LIBYA BLOCK 86	**50.00**	50.00
LIBYA BLOCK 102/4	**50.00**	50.00
SHAKTHI GABON*	**50.00**	50.00
YEMEN 82	**15.00**	15.00
YEMEN 83	**15.00**	15.00
AREA 95-96	**25.00**	25.00

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

(b) Jointly Controlled Assets:-

Details of Group's share of Jointly Owned Assets:

(₹ in Crore)

Assets Particulars	Name of Joint Owner	Original Cost	Accumulated Depreciation & Amortisation	W.D.V. as at 31.03.13
Land - Freehold	HPC/BPC	3.10	0.00	3.10
Land - Leasehold	HPC/BPC/BALMER LAWRIE	0.18	0.07	0.11
Buildings	HPC/BPC/BALMER LAWRIE	17.97	6.55	11.42
Plant and Equipment	HPC/BPC/GSFC/IPCL/GNRE	127.31	66.24	61.07
Transport Equipment	RAILWAYS	183.58	174.40	9.18
Railway Sidings	HPC/BPC	55.94	40.28	15.66
Drainage,Sewage & Water Supply	GSFC	0.99	0.94	0.05
Furniture	HPC/BPC	0.00	0.00	0.00
Total		**389.07**	**288.48**	**100.59**
Previous year		389.05	278.16	110.89

(c) Jointly Controlled Entities:-

Name	Country of Incorporation	Ownership Interest of IOC(%) 31.03.2013	31.03.2012
(i) IOT Infrastructure & Energy Services Ltd	India	47.91	47.92
(ii) Lubrizol India Pvt. Ltd.	India	50.00	50.00
(iii) Petronet VK Ltd.	India	26.00	26.00
(iv) Petronet CI Ltd.	India	26.00	26.00
(v) IndianOil SkyTanking Ltd.	India	33.33	33.33
(vi) Indo Cat Pvt. Ltd.	India	50.00	50.00
(vii) Delhi Aviation Fuel Facility Pvt. Ltd.	India	37.00	37.00
(viii) IndianOil Petronas Pvt.Ltd.	India	50.00	50.00
(ix) Suntera Nigeria 205 Ltd	Nigeria	25.00	25.00
(x) IndianOil Panipat Power Consortium Ltd.	India	50.00	50.00
(xi) Avi-Oil India Pvt. Ltd.	India	25.00	25.00
(xii) Petronet India Ltd.	India	18.00	18.00
(xiii) Petronet LNG Ltd.	India	12.50	12.50
(xiv) Indian Synthetic Rubber Limited	India	50.00	50.00
(xv) Indian Oil Ruchi Biofuels LLP	India	50.00	50.00
(xvi) Green Gas Ltd.	India	22.50	22.50
(xvii) NPCIL IndianOil Nuclear Energy Corporation Limited	India	26.00	26.00
(xviii) GSPL India Transco Ltd.*	India	20.65	-
(xix) GSPL India Gasnet Ltd.*	India	22.16	-

* Ownership interest has been computed on the basis of actual cash contribution in equity as on 31.03.2013. However, share of IOCL is 26% as per JV agreement.

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

(₹ in Crore)

	31.03.2013	31.03.2012
(a) Jointly Controlled Operations		
(i) Contingent Liabilities	**19.22**	0.20
(ii) Capital Commitments	**1,007.68**	1,214.86
(b) Jointly Controlled Assets		
(i) Contingent Liabilities	**-**	-
(ii) Capital Commitments	**-**	-

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

(₹ in Crore)

		31.03.2013	31.03.2012
(i)	Assets		
	- Long Term Assets	**3746.38**	1938.55
	- Current Assets	**2347.67**	1306.98
(ii)	Liabilities		
	- Current Liabilities and Provisions	**1891.86**	938.95
	- Other Liabilities	**2346.30**	802.74
(iii)	Income	**6636.48**	4602.13
(iv)	Expenses	**6183.98**	4152.87
(v)	Contingent Liabilities	**193.25**	89.47
(vi)	Capital Commitments	**386.97**	497.75

NOTE - 35: EXPOSURE TO FINANCIAL AND COMMODITY DERIVATIVES

Financial and Derivative Instruments:

1. All derivative contracts entered into by the Company are for hedging its foreign currency, interest rate and commodity 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 2013 are as below:

(a) For Hedging Currency Risks

Nominal amounts of derivative contracts entered into by the Company and outstanding as on 31st March 2013 is given below:

(₹ in Crore)

S. No.	Particulars	Unit of Currency	As on 31.03.2013		As on 31.03.2012	
			No of contracts	Aggregate amount	No of contracts	Aggregate amount
1.	Forward Contracts	USD	4	217.26	16	379.80

(b) For Hedging Commodity Related Risks:

Category–wise quantitative data about commodity derivative transactions that are outstanding as on 31st March 2013 is given below:

Quantity (in '000 bbls)

S. No.	Particulars	As at 31st March 2013	As at 31st March 2012
1.	Swaps on Crude oil	50	500
2.	Margin Hedging	200	250

(c) For Hedging Interest Rate Related Risks:

Interest rate swap for ₹ **2,714.50 crore** (2011-12: ₹ 2,544.00 crore) - (USD 500 million) syndicated loan (swap from 1/3/6 month USD LIBOR till maturity to 2.222% Fixed)

S. No.	Particulars	Number of Contracts	
		As at 31st March 2013	As at 31st March 2012
1	Swaps of Interest Rates	1	1

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

3. **Foreign currency exposure that are not hedged by a derivative instrument as on 31st March 2013 is given below:**

(₹ in Crore)

S. No.	Particulars	As on 31.03.2013 Aggregate amount	As on 31.03.2012 Aggregate amount
1	Unhedged*	66,744.72	53,204.66

** Including cross currency swaps amounting to ₹ **1768 crore** (2012:₹ Nil)*

NOTE - 36: ADDITIONAL DISCLOSURES BY GROUP COMPANIES

Lanka IOC PLC

a) Goodwill represents the excess of purchase consideration paid in 2003 to the Government of Sri Lanka over the net assets value representing applicable shares allotted in the acquisition of the retail outlet, which were vested with Independent Petroleum Marketers Limited (IPML). The IPML was subsequently amalgamated in 2004 with Lanka IOC PLC and dissolved.

Goodwill represents future economic benefits arising from other assets which were acquired from the above business combination that were not able to individually identified and separately recognized. Accumulated amortization as at the balance sheet date amounting to ₹ 342,21,776/- which were amortized up to 2007 based on 20 years useful life. However, as per the revised accounting standards goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

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. Investment is recorded at cost and details are as under :

(₹ in Crore)

	2012-13	2011-12
At the beginning of the year	**176.03**	177.52
Translation Difference	**12.50**	(1.49)
Closing Net book amount	**188.53**	176.03

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. Company’s tax exempt period has been expired on 19 February 2013 and accordingly 40 days of the financial year ended 31st March 2013 is liable for income tax at a rate of 15%.

Previous year tax charge wholly consists of tax on non-exempt interest income.

Petronet LNG Ltd.

a) In terms of the provisions contained in the Dahej 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 26% 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.

NOTE - 37: OTHER DISCLOSURES

1 Purchase of crude oil from Oil India Limited and Panna Mukta Tapti JV and some other oilfields has been accounted for provisionally, pending finalization of agreements with respective parties. Adjustments, if any, will be made on finalization of agreements.

2 Transactions with other Oil Marketing Companies are jointly reconciled on an ongoing basis.

3 In the absence of relevant notification by the Government of India specifying the period and applicable rate at which cess on turnover is payable under section 441A of the Companies Act, 1956, the same is not determinable and hence, not provided for.

4 Previous year's comparative figures have been regrouped wherever necessary. Figures in brackets indicate deductions.

Sd/-	Sd/-	Sd/-
(R. S. Butola)	**(P. K. Goyal)**	**(Raju Ranganathan)**
Chairman	Director (Finance)	Company Secretary

As per our attached Report of even date

For B.M. CHATRATH & CO.	**For DASS GUPTA & ASSOCIATES**	**For PARAKH & CO.**
Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 301011E)	(Firm Regn. No. 000112N)	(Firm Regn. No.001475C)
Sd/-	Sd/-	Sd/-
(CA. P.R. Paul)	**(CA. Raaja Jindal)**	**(CA. Thalendra Sharma)**
Partner	Partner	Partner
M. No. 051675	M. No. 504111	M. No. 079236

Place : New Delhi
Date : 30th May, 2013

Annexure-I

SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION

1.1 The financial statements are prepared under historical cost convention in accordance with the mandatory accounting standards notified by the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956.

1.2 The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities as at the date of the financial statements. Management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from estimates.

2. FIXED ASSETS

2.1 Tangible Assets

2.1.1 Fixed Assets are stated at acquisition cost less accumulated depreciation / amortization and cumulative impairment.

2.1.2 Land acquired on perpetual lease as well as on lease for over 99 years is treated as free hold land.

2.1.3 Land acquired on lease for 99 years or less is treated as leasehold land.

2.1.4 Technical know-how / license fee relating to plants/facilities are capitalised as part of cost of the underlying asset.

2.2 Construction Period Expenses on Projects

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

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

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

2.3 Capital Stores

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

2.4 Depreciation/Amortisation

2.4.1 Cost of leasehold land for 99 years or less is amortised over the lease period.

2.4.2 Depreciation on fixed assets is provided in accordance with the rates as specified in Schedule XIV to The Companies Act, 1956, on straight line method, upto 95% of the cost of the asset other than Insurance spares which are depreciated upto 100%. Depreciation is charged pro-rata on quarterly basis on assets, from/upto the quarter of capitalisation/ sale, disposal/ dismantle or earmarking for disposal/dismantling during the year.

2.4.3 Assets, other than LPG Cylinders and Pressure Regulators, costing upto ₹ 5,000/- per item are depreciated fully in the year of capitalisation.

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

2.5 Impairment of Assets

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

(a) the provision for impairment loss, if any, required; or

(b) the reversal, if any, required of impairment loss recognized in previous periods.

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

3. INTANGIBLE ASSETS

3.1 Technical know-how / license fee relating to production process and process design are recognised as Intangible Assets and amortised on a straight line basis over a period of ten years or life of the underlying plant/ facility, whichever is earlier.

3.2 Expenditure incurred on Research & Development, other than on capital account, is charged to revenue.

3.3 Costs incurred on computer software purchased/developed resulting in future economic benefits, are capitalised as Intangible Asset and amortised over a period of three years beginning from the quarter in which such software is capitalised. However, where such computer software is still in development stage, costs incurred during the development stage of such software are accounted as “Intangible Assets Under Development”.

3.4 Cost of Right of Way for laying pipelines is capitalised and amortised on a straight line basis over the period of such Right of Way or 99 years whichever is less.

4. BORROWING COST

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

5. FOREIGN CURRENCY TRANSLATION

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

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

5.3 Non-monetary items denominated in foreign currency, (such as investments, fixed assets etc.) are valued at the exchange rate prevailing on the date of the transaction.

5.4.1 (a) Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items.

(b) Exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets in line with para 46A of Accounting Standard -11. 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 by recognition as income or expense in each of such periods.

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

6. INVESTMENTS

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

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

7. INVENTORIES

7.1 Raw Materials

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

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

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

7.2 Finished Products and Stock-in-Trade

7.2.1 Finished products and stock in trade, other than lubricants, are valued at cost determined on 'First in First Out' basis or net realizable value, whichever is lower. Cost of Finished Products produced is determined based on raw material cost and processing cost.

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

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

7.3 Stores and Spares

7.3.1 Stores and Spares (including Barrels & Tins) are valued at weighted average cost. Specific provision is made in respect of identified obsolete stores & spares and chemicals for likely diminution in value. Further, an adhoc provision @ 5% is also made on the balance stores and spares (excluding barrels, tins, stores in transit, chemicals, crude oil and own products) towards likely diminution in the value.

7.3.2 Stores & Spares in transit are valued at cost.

8. TRADE RECEIVABLES

In addition to the specific provision made, an Adhoc provision @ 1% is also made in respect of Trade Receivables, other than those relating to Oil Marketing companies, Subsidiary & Joint Venture companies, Export Customers, DGS&D group of customers (i.e. DGS&D, Railway, Army, Air Force and Defence) and Retail Outlets enjoying temporary credit to recognize the element of uncertainty.

9. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

9.1 Contingent Liabilities

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

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

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

a) 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 ₹ 5 lakhs, in each case, are considered for disclosure.

10. REVENUE RECOGNITION

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

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

10.3 Claims (including interest on outstandings) are accounted:

a) When there is certainty that the claims are realizable

b) Generally at cost

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

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

11. EXCISE DUTY

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

12. TAXES ON INCOME

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Deferred Tax Liability / Asset resulting from 'timing difference' between book and taxable profit is accounted for considering the tax rate and laws that have been enacted or substantively enacted as on the Balance Sheet date. Deferred Tax Asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

13. EMPLOYEES BENEFITS

13.1 Short Term Benefits:

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

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

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

b) The Company operates defined benefit plans for Gratuity and Post Retirement Medical Benefits. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year and are administered through respective Trusts. Actuarial gains/ losses are charged to Statement of Profit and Loss.

c) Obligations on Compensated Absences, Resettlement and Long Service Awards are provided using the projected unit credit method of actuarial valuation made at the end of the year.

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

13.3 Termination Benefits:

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

14. GRANTS

14.1 Capital Grants

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

14.2 Revenue Grants

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

15. OIL & GAS EXPLORATION ACTIVITIES

15.1 The Company is following the "Successful Efforts Method" of accounting for Oil & Gas exploration and production activities as explained below:

a) Survey costs are expensed in the year of incurrence.

b) Acquisition cost, cost of incomplete / undecided exploratory wells and development costs are carried as capital work in progress till the time these are either transferred to producing properties on completion or expensed in the year when determined to be dry, as the case may be.

c) Expenditure towards unfinished Minimum Work Programme with and without extension of time is expensed in the year of incurrence.

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

15.3 The Company's proportionate share in the assets, liabilities, income and expenditure of joint venture operations are accounted as per the participating interest in such joint venture operations.

16. COMMODITY HEDGING

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


इंडियन ऑयल कॉर्पोरेशन लिमिटेड

Summary of
Financial Information of
Subsidiary Companies for the
Financial Year 2012-13

SUMMARY OF FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES FOR THE FINANCIAL YEAR 2012-13

The Ministry of Corporate Affairs vide its Circular No. 2/2011 dt. 8th February 2011, has granted general exemption under Section 212 (8) of Companies Act, 1956 to companies from attaching the accounts of Subsidiary Companies with the Annual Report of the Company. However, companies are required to provide summarised financial information of the subsidiaries.

Accordingly, Indian Oil Corporation Limited is providing a summary of financial information of its subsidiary companies in lieu of attaching the annual accounts of its subsidiary companies with the Annual Report for the year 2012-13. The Annual Accounts of the Subsidiary Companies are available with the Company Secretary, Indian Oil Corporation Limited and are open for inspection by any shareholder at the Registered Office of the company during working days. The copy of Annual Accounts shall also be made available to any shareholder of Indian Oil Corporation Limited or its subsidiary on request in writing.

The summary of financial information of subsidiary companies for the financial year 2012-13 is as given below:

(Figures in Crores)

Sl. No.	Particulars	Chennai Petroleum Corporation Limited	IndianOil Creda Biofuels Limited	IndianOil (Mauritius) Limited		Lanka IOC PLC		IOC Middle East FZE		IOC Sweden AB		IOCL (USA) Inc.	
	Financial Year ending on	**31.03.2013**	**31.03.2013**	**31.03.2013**	**31.03.2013**	**31.03.2013**	**31.03.2013**	**31.03.2013**	**31.03.2013**	**31.03.2013**	**31.03.2013**	**31.03.2013**	**31.03.2013**
	Reporting Currency	**INR**	**INR**	**INR**	**MUR**	**INR**	**SLR**	**INR**	**AED**	**INR**	**EURO**	**INR**	**USD**
	Exchange Rate (As on 31.03.2013)	**-**	**-**	**1.7505**	**-**	**0.4291**	**-**	**14.7944**	**-**	**69.5218**	**-**	**54.2800**	**-**
	Exchange Rate (Average Rate 2012-13)	**-**	**-**	**1.7888**	**-**	**0.4190**	**-**	**14.7862**	**-**	**70.0669**	**-**	**54.1600**	**-**
1	Share Capital	149.00	22.50	75.67	48.82	250.54	532.47	2.30	0.20	224.87	3.75	-	-
2	Share Application Money	-	-	-	-	-	-	-	-	-	-	112.00	2.07
3	Reserves	1,877.30	(1.42)	130.96	69.22	308.47	770.36	14.38	0.93	27.33	(0.12)	1.59	0.02
4	Liabilities	12,074.81	1.53	209.27	119.55	500.82	1,167.20	13.41	0.91	0.26	-	3.82	0.07
5	Total Liabilities	14,101.11	22.61	415.90	237.59	1,059.83	2,470.03	30.09	2.04	252.46	3.63	117.41	2.16
6	Total Assets	14,101.11	22.61	415.90	237.59	1,059.83	2,470.03	30.09	2.04	252.46	3.63	117.41	2.16
7	Investments *	24.25	-	-	-	188.54	439.40	-	-	252.29	3.63	-	-
8	Turnover	46,842.46	1.82	1,274.08	712.26	3,147.31	7,511.05	39.64	2.68	-	-	9.61	0.18
9	Profit Before Taxation	(1,697.69)	-	23.57	14.77	125.41	299.29	2.69	0.18	(0.70)	(0.01)	2.00	0.04
10	Provision for Taxation	69.15	-	4.45	2.54	3.43	8.17	-	-	-	-	0.77	0.02
11	Profit After Taxation	(1,766.84)	-	19.12	12.23	121.98	291.12	2.69	0.18	(0.70)	(0.01)	1.23	0.02
12	Proposed Dividend	-	-	5.36	2.93	-	-	0.91	0.06	-	-	-	-

***Details of Investments (except in case of Investment in Subsidiaries)**			**(₹ in Crore)**
1	Chennai Petroleum Corporation Limited	1) Indian Additives Limited	11.83
		2) Petroleum India International	12.31
		3) Others	0.11
		Total	**24.25**
2	Lanka IOC PLC	1) Ceylon Petroleum Storage Terminal Limited	188.54
		Total	**188.54**
3	IOC Sweden AB	1) Petrocarabobo S.A. Venezuela	247.68
		2) Carabobo Ingenieria y Construcciones S.A. Venezuela	4.61
		Total	**252.29**

INR : Indian Rupees
MUR : Mauritian rupees
SLR : Sri Lankan Rupees
AED : United Arab Emirates Dirham
USD : United States Dollars

Note:

1 Assets and Liabilities for Balance Sheet Items of foreign subsidiaries are translated at the closing rate as on 31.03.2013.

2 Income and Expense items of foreign subsidiaries are translated at the average exchange rate during 2012-13.

3 Share Capital of Foreign Subsidiaries is translated at the exchange rate existing at the date of transaction.

NOTES

NOTES

IndianOil actively supports the Green Initiative in Corporate Governance by the Ministry of Corporate Affairs which allows paperless compliance through electronic mode. An innovative Quick Recognition code has been registered for readers who can scan and access the IndianOil Annual Report 2012-13 through their smartphone application.

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"Permitted to post on prepayment of postage in cash at Safdarjung MBC, New Delhi-110003, under CPMG, Delhi Circle, Licence No. DEL/BDM/SJ MBC/IOC Ltd./04/24-7-13 to 07-08-13/104000/22 dated 10-07-2013."

इंडियनऑयल
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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

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