



INDIAN OIL CORPORATION LIMITED

Annual Report 1969-70

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Indian Oil Corporation Ltd.

BOARD OF DIRECTORS:

N.N. Kashyap. I.C.S., *Chairman*

Kamaljit Singh

C.R. Das Gupta

P.K. Rau

N.C. Sen Gupta, I.C.S.,

M.S. Pathak

Dr. S.K. Mukherjee

M.V. Rajwade

M. Ahmed

S.M. Ghosh

M. Ct. Pethachi

Arun Roy Choudhury

Yogendra Mishra

S.K. Mukerjei

SECRETARY:

D.B. Puri

BANKERS:

State Bank of India

AUDITORS:

M/s. Lovelock & Lewes

M/s. S. B. Billimoria & Co.

M/s. Ray & Ray

REGISTERED OFFICE AND MARKETING DIVISION HEADQ UARTERS:

254-C, Dr. Annie Besant Road,
Prabhadevi, Bombay-25 DD.

MARKETING DIVISION:

Branches:

Bombay, New Delhi, Calcutta, Madras

REFINERIES & PIPELINES DIVISION:

Headquarters:

Indianoil Bhavan, Janpath,
New Delhi-1.



NOTICE

Notice is hereby given that the 11th Annual General Meeting of the Indian Oil Corporation Limited will be held at the Company's Registered Office at 254-C, Dr. Annie Besant Road, Prabhadevi, Bombay-25 DD at 14-30 hrs. on Tuesday, the 29th September, 1970 to transact the following business:

ORDINARY BUSINESS

1. "To receive, consider and adopt the Balance Sheet, Profit and Loss Account and Report of the Auditors and Directors thereon for the financial year ended 31st March, 1970."
2. To declare the dividend.

By Order of the Board

D.B. Puri
Secretary.

Bombay: Dated: *8th September, 1970*

Note: A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a member.



Indian Oil Corporation Ltd.

DIRECTORS' REPORT 1969-70

TO
THE SHAREHOLDERS OF
INDIAN OIL CORPORATION LIMITED

Gentlemen,

Your Board of Directors have pleasure in placing before you their 11th Annual Report on the working of the Corporation during the financial year 1969-70 along with the Audited Statements of Accounts.

FINANCIAL RESULTS

Turnover:

Turnover for the year amounted to Rs. 634.85 crores (an increase of 20.60% over the previous year) as against Rs. 526.16 crores and Rs. 430.68 crores for the previous year and the year 1967-68 respectively.

Profit:

Profit for the year and comparative figures for the past two years are as under:

	(Rs. in Crores)		
	1969-70	1968-69	1967-68
Gross Profit before Depreciation & Interest	36.20	32.41	22.33
Interest	4.85	6.10	5.71
Profit before Depreciation	31.35	26.31	16.62
Depreciation	10.94	7.85	5.79
Net Profit	20.41	18.46	10.83

It will be observed from the above that profits of the Corporation have increased every year in spite of adverse effects of the under-recoveries of freight and sales tax which continued to erode the profits. The under-recoveries in the past three years were as under:—

	(Rs. in Crores)		
	1967-68	1968-69	1969-70
Inland Freight	1.08	1.43	2.15
Sales Tax	1.76	0.37	0.68
Coastal Freight	2.28	2.41	3.97

The Corporation took up the question of re-imburement of under-recoveries in its submission to the Oil Pricing Committee and your Directors are glad to report that the Oil Pricing Committee accepted that the oil companies should be compensated for the under-recoveries incurred by them on inland as well as coastal movement of the products through a freight surcharge pool. The under-recoveries on sales tax, however, the expected to increase to about Rs. 2.5 crores. Your Corporation has already taken up this matter with the Government for reimbursement of these under-recoveries or for levy of a suitable surcharge and hopes that this matter will be settled satisfactorily.

Depreciation has been charged on the "straight line" method in arriving at the profit. The rates of depreciation for certain assets have been revised in this year in conformity with the changes in the Income Tax Rules. The net effect of this revision is an increase in the overall depreciation by Rs. 2.26 crores. Corporation is not liable to pay income tax on profit of this year also because of carry forward of Development Rebate and tax holiday claims.

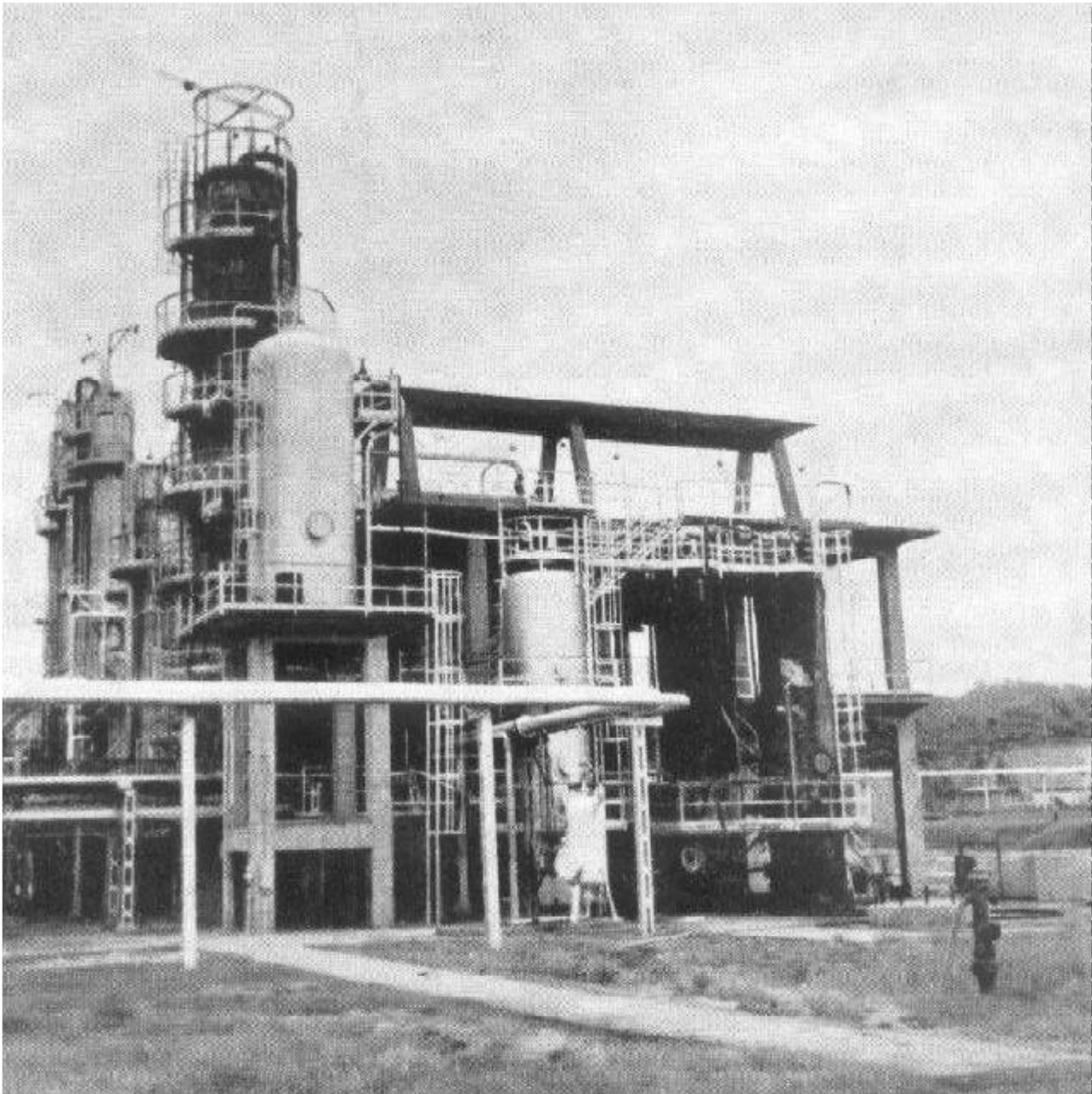
Profit for the year works out to 28.67% of the paid-up capital as against 25.93% and 15.22% in the previous years i.e. 1968-69 and 1967-68 respectively. With the carry-forward of profit from last year amounting to Rs. 5,77,878 the available surplus amounts to Rs. 20.46 crores as detailed below:—

	Rupees
Balance of profit brought forward	5,77,878
Profit for the year	20,40,55,341
	<u>20,46,33,219</u>
We recommend that this amount	
be appropriated as follows:	
Provision for Development Rebate Reserve	14,40,73,322
Provision for dividend @ 7% on 7,11,772 shares of Rs. 1,000 each	4,98,24,040
Transfer to General Reserves	1,00,00,000
Income Tax for Prior years	8,910
Dividend for prior year (1966-67)	2,745
Balance carried forward	7,24,202
	<u>20,46,33,219</u>

FINANCE

Budgeting and Accounting systems have been streamlined during 1969-70 and a Manual on Control systems has been compiled. Detailed Procedure Manuals are under preparation to further strengthen the financial and accounting base to ensure optimum utilisation of resources and manpower.

The Corporation, for the third year in succession, did not draw any share capital from the Central Government and for the second year in succession, no loan was obtained from the Government. During the year under review, the Corporation paid back Rs. 9,76,45,734 against loans drawn in the earlier years reducing Government loan capital from Rs. 63,49,76,800 to Rs. 53,73,31,066.



Kerosene Refining Unit of the Gauhati Refinery

REFINERIES & PIPELINES DIVISION

A. REFINERIES:

Crude Oil Processed:

Table below gives the target, actual quantity of crude oil processed, production and despatch of the products from your various refineries during the year 1969-70:

	(Tonnes)		
	Gauhati	Barauni	Gujarat
Target Thr'put	7,57,072	20,98,098	34,45,681
Actual Thr'put	7,64,795	20,87,894	33,97,942
Production	6,89,500	18,89,319	31,69,022
Despatch	6,82,942	18,90,093	31,46,288

Crude oil input in your refineries continued to rise progressively in the past three year as will be evident from the table below

Crude oil processed	(Tonnes)			
	Gauhati	Barauni	Gujarat	Total
1967-68	811718	1629625	1918293	4359636
1968-69	802666	1767129	2958032	5527827
1969-70	764795	2087894	3397942	6270631

IMPORT SUBSTITUTION:

During the year under review, great emphasis was laid on the use of indigenous materials as substitutes for the imported materials. Several imported items have been developed indigenously in the small scale sector covering items such as high pressure and temperature valves, heat exchangers, pipe fittings, filter paper, recorder charts and pens, various explosion proof motors, electrical fittings, pumps etc. resulting in a foreign exchange saving of over Rs. 20 lakhs.

MAJOR ACHIEVEMENTS

GAUHATI:

1. Production of aviation turbine fuel commenced in November 1969 to meet the aviation requirement.
2. Coking Unit achieved a record continuous run of 130 days on 2-1-1970.
3. 83,000 Metric Tonnes of Feed Stock was processed in the Crude Distillation Unit

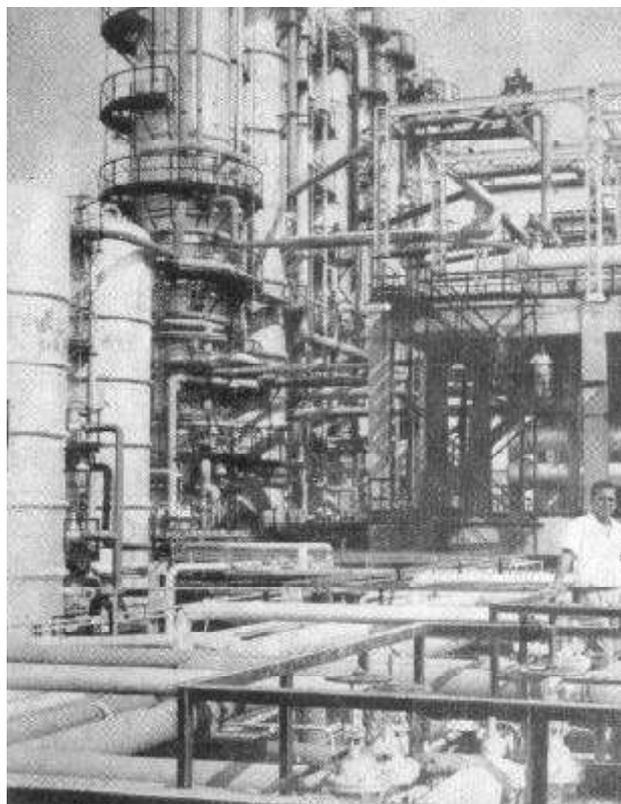
during October 1969—118.2% of the installed capacity.

BARAUNI:

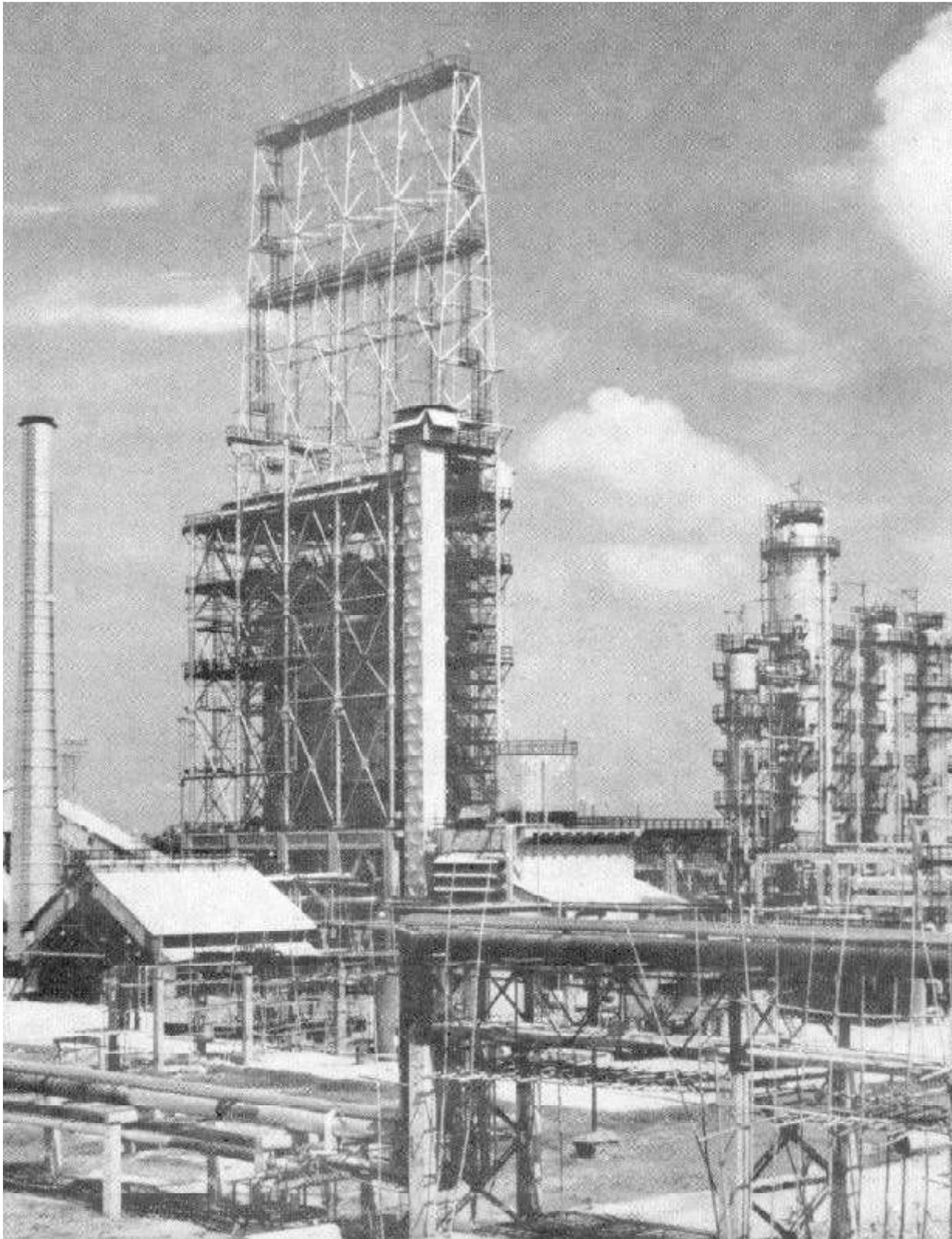
1. The Coking Unit established a record continuous run of 172 days on 5-10-1969.
2. Kerosene Treating Unit (A) completed a record 399 stream days on 16-12-1969 after its restart on 16-11-1968.

Systematic improvement in operating scheme has resulted in higher yield of SK raffinate and higher daily throughput of the unit as compared to the design.

3. Improved operating techniques adopted in AVUs resulted in considerable increase in yield of middle distillates and reduction in the yield of Reduced Crude. Thus the major bottleneck in Refinery operations due to highstock of reduced crude has been successfully removed. Adoption of improved techniques in the Phenol Recovery Section reduced phenol consumption considerably and eliminated the possibility of phenolic water being carried into Industrial Sewage.



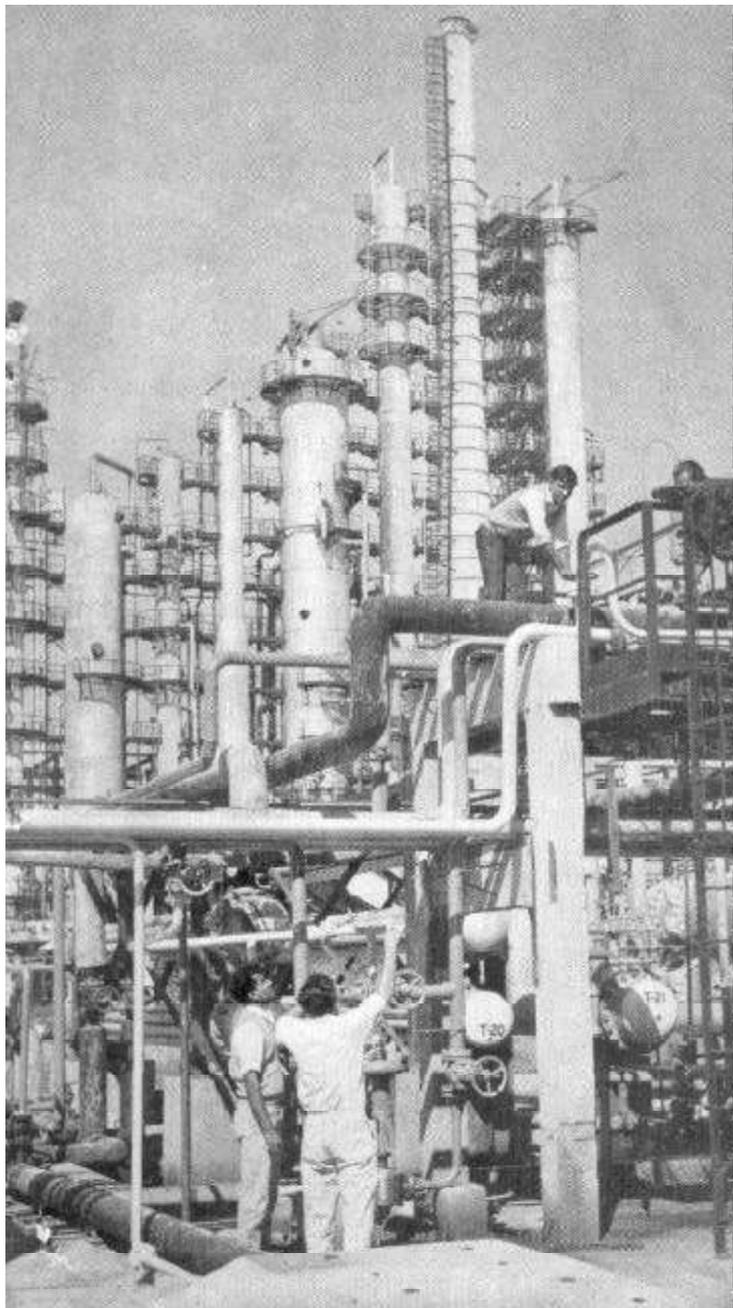
Phenol Extraction Unit of the Barauni Refinery



Coking Unit of the Barauni Refinery

GUJARAT:

The Refinery was awarded National Safety Award with a cash prize of Rs. 2,500 by the government of India for the third consecutive year.



A view of the Gujarat Refinery

FUTURE PLANS OF BARAUNI REFINERY

1. Construction work pertaining to Coke Calcination Plant is under advance stage of completion and the plant is likely to be commissioned before the end of the year.
2. LPG Bottling Plant modernisation scheme is nearing completion and the plant is expected to be commissioned soon.
3. New tanks to enhance the storage capacity of the various products are under construction.
4. Facilities for pumping LDO through Barauni-Kanpur Section of the Products Pipeline and the supply of SR Naphtha to Barauni Fertilizer Plant are being provided.

HALDIA REFINERY PROJECT

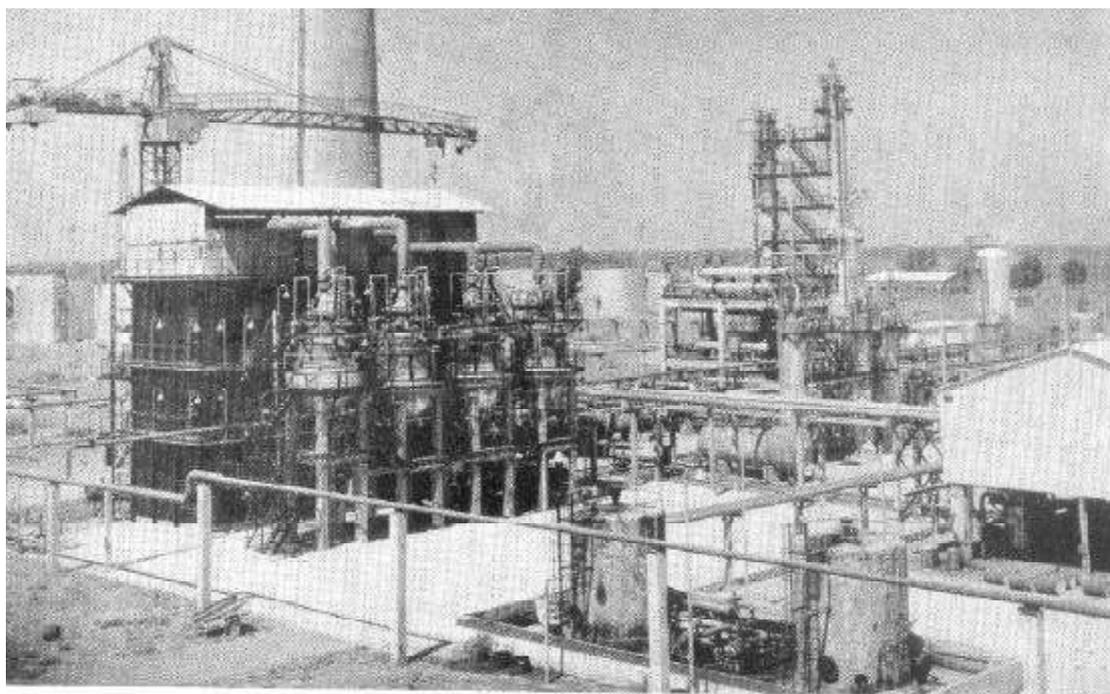
1) PROGRESS OF ENGINEERING STUDIES:

For the Haldia Refinery Project, for the first time the Corporation has assigned to itself, largescale participation in process as well as detailed engineering, procurement and field construction. Contracts for accomplishing engineering and procurement have all been settled with the two collaborating Companies, in the TP/ENSA-PARIS and IE/PETROM, BUCHAREST. The work at the contractors' offices in Paris, Burcharest as well as in New Delhi is progressing satisfactorily.

Of the total value of equipment/materials amounting to Rs. 36 crores, the Corporation is directly buying equipment and materials worth about Rs. 24 crores of which sophisticated equipment of 5 million dollars is imported. The procurement group set up for handling this in Rumania have been able to obtain competitive bids for nearly 50% of the materials/equipment upto now. Documents are at present being processed for placing the purchase orders.

2) PROGRESS OF WORK AT SITE:

Civil Engineering Works connected with site preparation and other enabling works, such as, improving the soil bearing capacity for storage tank pads by sand-wicking and pre-loading, forming of essential roads, construction of compound wall, temporary office/buildings etc.



Catalytic reforming unit of the Gujarat Refinery

are complete. Refinery Township Construction is taken in hand. Percentage progress for each of these activities as on 31-7-1970 is as follows:—

(a)	Earth work and site grading	48.5%
(b)	Sand-wicking	67.0%
(c)	Pre-loading of tank pads	28.0%
(d)	Construction of Roads	25.0%

Note: This covers all the vital road links inside the Refinery area to facilitate the progress of construction work even during monsoon.

- (e) *Piling:* Test piles have already been driven in the process units area and the load/compression tests are in progress. Production piling will start in the last week of August.
- (f) *Tankage erection:* Ten tanks are under construction.

3) **IMPORT SUBSTITUTION:**

In Haldia Refinery Project, there is maximisation of indigenous content which is about 70%. Close liaison with indigenous manufactures is

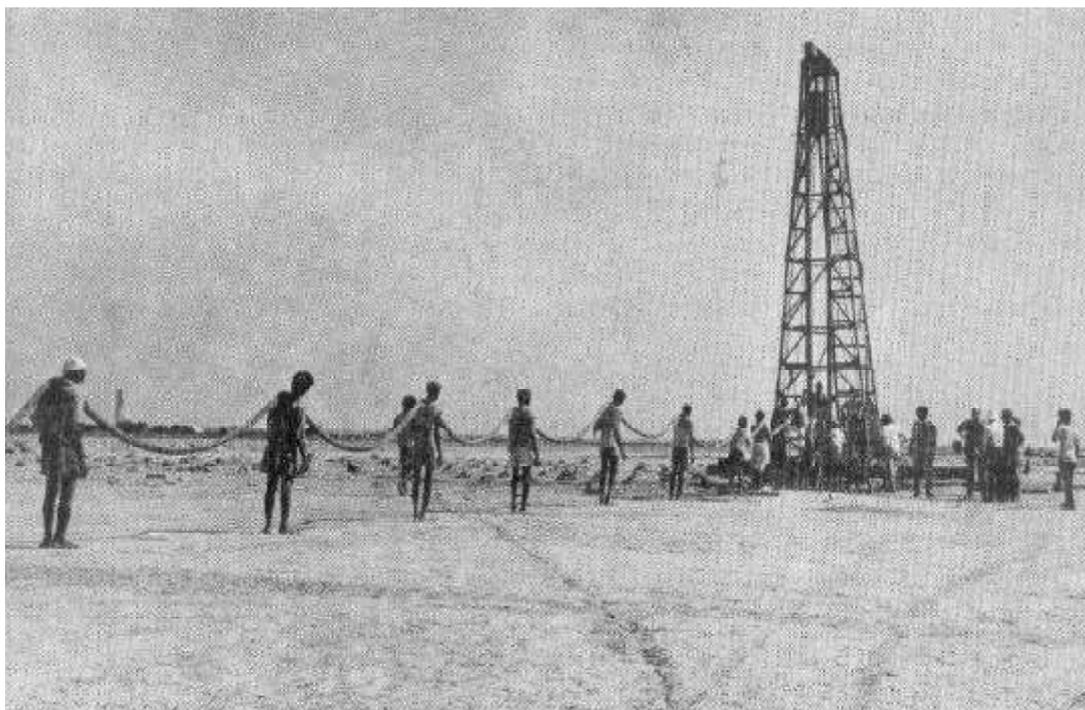
being maintained to safeguard against delayed deliveries and consequential delays in Project completion.

At the moment, there are about 2,000 people working under seven major contracting agencies at the site. In order to accomplish the job, in all its phases, about 25 more contracts have to be settled. Most of these contracts are scheduled to be settled in a phased manner by the end of this year. At the peak of construction around the middle of next year, it is expected that about 6,000 to 8,000 people will be working under about 40 contracting agencies.

As a result of frequent dislocations arising from labour unrest at site and other reasons beyond control, the work of the Project at the movement, is slightly behind schedule. All efforts are being made to catch up with the lost progress.

B. **PIPELINES:**

The Pipelines of the Corporation transported higher quantities of products as compared to the last year. A comparative picture of the products transported through pipeline for the last three years is given on next page:—



Sand-wicking and pre-loading process in place of the conventional pile foundation has been adopted for the construction of tank-farm at Haldia Refinery Project

<u>Year</u>	<u>Target</u>	<u>Throughput</u> (in Metric Tonnes)
GAUHATI-SILIGURI PIPELINE:		
1967-68	3,97,000	4,36,951
1968-69	4,50,000	4,06,148
1969-70	4,00,000	3,99,010
BARAUNI-KANPUR PIPELINE:		
1967-68	4,90,000	4,40,117
1968-69	5,50,000	5,19,920
1969-70	6,00,000	7,13,360
BARAUNI-HALDIA PIPELINE:		
1968-69	3,03,000	3,49,353
1969-70	4,60,000	5,22,109
KOYALI-AHMEDABAD PIPELINE:		
1967-68	5,11,000	3,88,769
1968-69	7,60,000	7,11,914
1969-70	8,00,000	7,87,972

ACHIEVEMENTS:

Gauhati-Siligri Pipeline moved a quantity of 47,558 tonnes of products, highest ever achieved in one month since the commissioning of this pipeline.

The Barauni-Kanpur Pipeline achieved a record throughput of 73,500 tonnes in March, 1970, the highest in a month since the commissioning of this pipeline. During August 1969, the pipeline moved the first batch of Naphtha to Kanpur involving very careful planning and since then the movement of this product has become a regular feature of Pipeline operation. The section between Mughalsarai and Kanpur was successfully pigged for the first time since the commissioning of the line.

Koyali-Ahmedabad pipeline moved 7,87,972 M.T. of products as against designed capacity of 7,00,000 M.T. during the year. Koyali-Ahmedabad pipeline worked at 132% of designed capacity during the month of December 1969. The pipeline which was on lease from the O.N.G.C. till 31-3-1970 has been transferred to your Corporation on 1-4-1970.

RAJBANDH-DURGAPUR NAPHTHA PIPELINE:

The construction of 6" dia. 5.5 KM pipeline from Rajbandh installation to Durgapur Fertilizer Plant for carrying Naphtha was successfully completed. The pipeline is ready for commissioning.



FUTURE PLANS:

1. The studies for augmenting the line capacity of Koyali-Ahmedabad pipeline to 1.2 million tonnes per year have been made. Necessary action is in hand regarding implementation of the scheme.
2. The techno-economic study of laying a product pipeline from Haldia to Baradabar and Rajbandh has been made to meet the demand of products in the Eastern Region in case Haldia-Barauni line is utilised for movement of Crude Oil.
3. The feasibility study for increasing the Gauhati-Siliguri pipeline capacity has also been made.



IMPORT SUBSTITUTION:

Considerable efforts were made during 1969-70 towards import substitution and indigenous material development. Drawings of several fastmoving imported spares were prepared, specifications collected and enquiries floated to locate parties capable of supplying the items indigenously. A noteworthy achievement was the development of woodwool filter cartridges which used to be imported in the beginning and which is an item of regular consumption. In addition, the requirements of stationary seal ring of mechanical seal, diodes, mercoid, switches, capacitors, relays, recorder pen, ink, tubing, pump bushing, split sleeves, wear rings, etc. are now being met indigenously.

GENERAL

WELFARE FACILITIES AT THE REFINERIES:

A number of welfare facilities and amenities have been provided at each of the Refineries in the form of free medical aid, subsidised Canteen, Schools, Co-operative stores, Transport, etc.

Fourteen employees of the Gujarat Refinery received teachers' training at the Workers Teachers Training Centre at Baroda and they in turn conducted 5 unit level classes in the Refinery.



SPORTS:

To celebrate the 10th Anniversary of the Corporation, the Indianoil Athletic Meet was held in March, 1970 in New Delhi. Athletes from all the Refineries and the Branches of the Marketing Division participated.

The first Inter-Refinery Sports meet was held at Gauhati in February, 1970.

Gauhati Refinery also hosted the Inter-Oil Sports Meet during the year 1969-70.

NATIONAL INTEGRATION:

In all the refineries special emphasis was laid on national integration programmes and with a view to promoting understanding and goodwill amongst the employees special seminars and meetings were organised from time to time.

LABOUR RELATIONS:

Labour relations in the Refineries and Pipelines Division remained satisfactory, on the whole, throughout the year.



Sports and Cultural events organised by clubs in various units of the Corporation.



MARKETING DIVISION

SALES:

The Corporation retained its position as the largest marketing organization in the petroleum industry in the country, sharing more than half of the petroleum trade. The sales of the Corporation crossed the 10 million kilolitre mark during the year under report (actual sales figure being 10.46 million kilolitres) as compared to 8.11 million kls. in the last year. Its market participation of 52.7% touched a new high during 1969-70 as against 44.5% achieved in the previous year.

Based on the anticipated demand in the country and product availability to the Corporation from the public sector refineries and other sources, it expects to sell 12.25 million kls. during 1970-71 aiming at 56.5% market participation.

RETAIL OUTLETS:

During the year under review, 417 retail outlets were commissioned bringing the total number of retail outlets at the end of the year to 2,681. The number of retail outlets is expected to be doubled by the end of 1974 according to our planned target.

AVIATION:

During the year under review, the market participation of the Corporation in the total aviation fuel requirements of the country improved further and the present position is 100% for I.A.F.; 70% for I.A.C.; 85% for Air India and 48% for international airlines. The number of Aviation Stations rose to 66 as against 64 at the end of the previous year and 52 at the end of the year 1967-68. The sales target for the sale of aviation fuel during 1969-70 was exceeded by about 12%. As a result of economies, the operating cost was brought down to Rs. 13.70 per kl. from Rs. 14.26 during 1968-69 and Rs. 18.20 during 1966-67. Indigenous development of refuelling equipment was continued. A hydrant system is being developed at Dum Dum Airport and is likely to be commissioned by late 1970. Similar hydrant systems will be planned for the other international airports in India to cater to the requirements of Jumbo Jets. With the

introduction of Boeing 737 aircraft by IAC on the domestic routes later this year and of Boeing 747 Jumbo Jet aircraft by AIR-INDIA and other international airlines by early 1971, it is expected that the responsibilities of our aviation set-up will rise substantially.

LIQUEFIED PETROLEUM GAS:

Steady progress was maintained in the marketing of LPG during the year under review. Apart from its use as a house-hold fuel, Indane is now being marketed, in a limited way, for industrial applications also. Presently we have approximately 2,35,000 Indane consumers spread over 37 towns. The pace of expansion in LPG marketing would have been much faster if gas cylinders had been available in adequate numbers.

IMPORTS:

During the period under review, the Corporation imported 8,48,257 tonnes of bulk refined products and 1,87,767 tonnes of base stocks, additives and lubricating oils as against 5,23,400 tonnes and 1,56,305 tonnes respectively imported during the previous year. The value of total imports of POL products during the year amounted to Rs. 2,907 lakhs as against the previous year's import value of Rs. 2,240 lakhs.

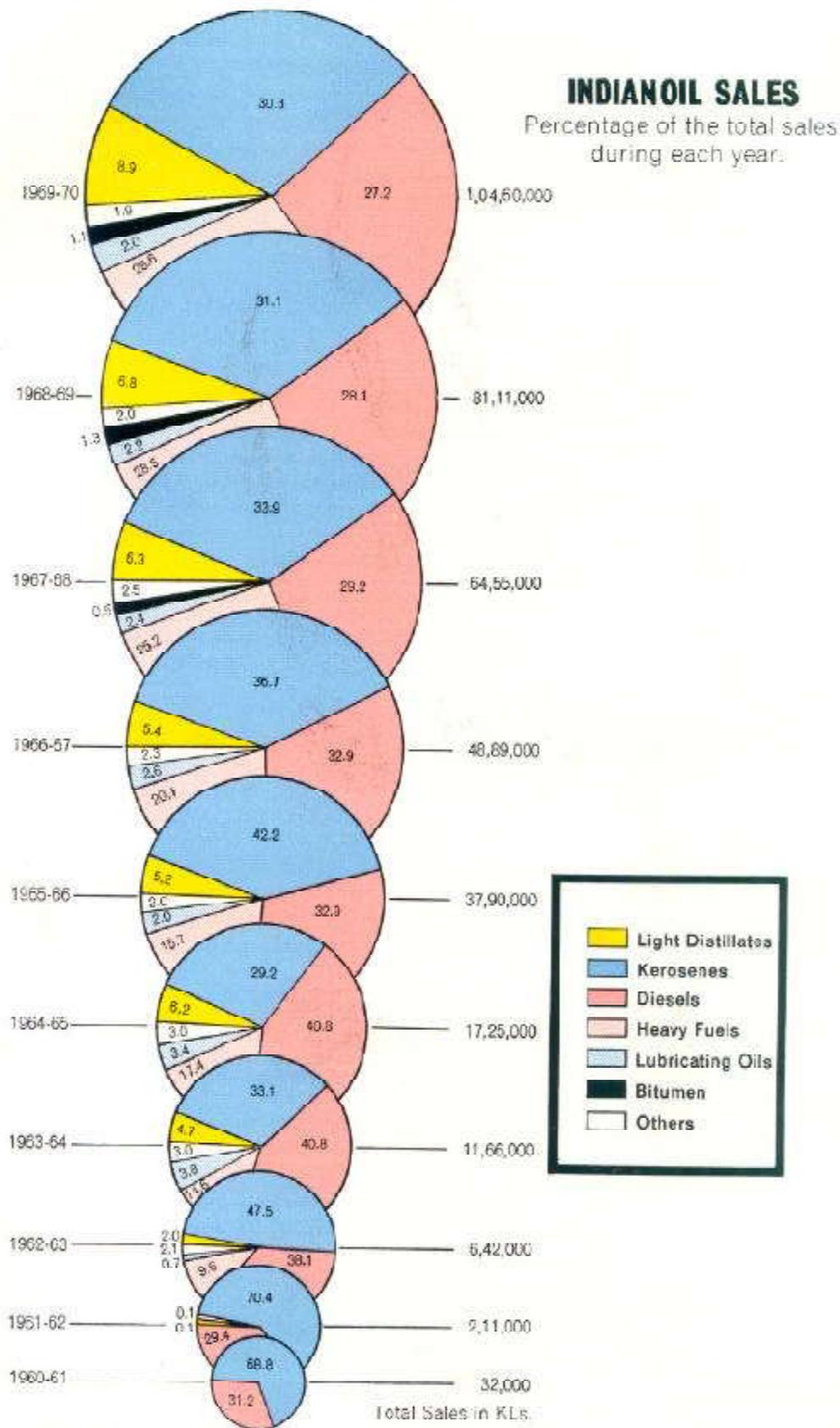
EXPORTS:

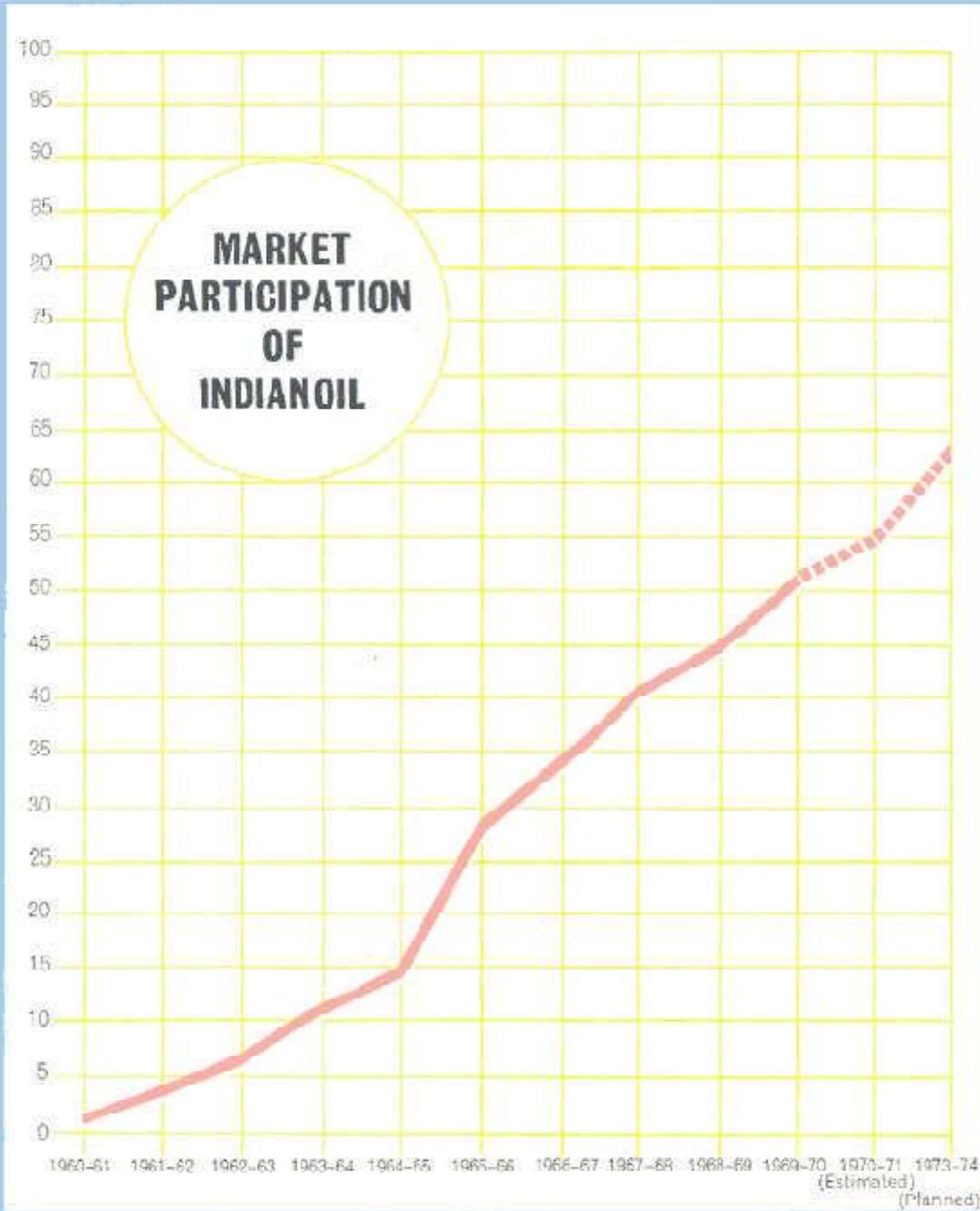
During the period under review, the Corporation exported 4,04,702 tonnes of petroleum products valued at Rs. 545 lakhs. The Corporation proposes to export during 1970-71 about 4 lakhs tonnes of petroleum products, viz., HSD, Naphtha, Asphalt and Benzene. The foreign exchange earnings on these exports are expected to be about Rs. 572 lakhs.

STOCK LOSSES:

The percentage of stock losses during the year was .12% as against .09% during the previous year. The increase was due to continued storing of Motor Gasoline in Cone Roof Tanks and the special arrangement made for the export of Naphtha by using cone roof tanks. Also, additional in-transit temperature losses were incurred in the products received from the coastal refineries.







(Market participation, in percentage, is given in relation to the products handled by Indianoil)



TANKTRUCK OPERATION:

The fleet of tanktrucks was reduced further to 244 units during the year from 285 in the previous year. We have put more emphasis on the quantity of products delivered by tanktrucks; this has resulted in 10,95,311 kilolitres being delivered by tanktrucks during the year as compared to 10,63,124 kilolitres in the previous year, thereby achieving 3% increase in the deliveries with a smaller fleet. We are planning for larger capacity trucks to cater to increased volumes.

STORAGE & DISTRIBUTION FACILITIES:

The Corporation expanded its storage capacity to 10,79,000 kls. by the end of 1969-70 as against 10,32,000 kls. at the end of the last year at its 15 port installations, 1 inland installation, 8 pipeline installations and upcountry depots, including aviation stations. As on 31-3-1970, the Corporation has 115 upcountry depots, 130 consumer depots, 51 satellite depots, 38 relay depots and 66 international, domestic and other airfield stations having a total storage capacity of 2,38,000 kls.

COSTAL MOVEMENTS OF BULK FUELS:

During the last 3 years, the Corporation has undertaken the bulk of the country's coastal movement by tankers. During the year under review, 11,35,093 tonnes of petroleum products were moved as against 8,43,005 tonnes during the year 1968-69 and 7,51,187 during the year 1967-68. The average cost of transportation during the year has been Rs. 20.28 per tonne as against Rs. 21.12 per tonne during 1968-69 and Rs. 27.83 per tonne during the year 1967-68. This reduction in cost has been achieved in spite of difficult operating conditions.

ENGINEERING:

Two more volumes of the Engineering Manual were released for providing guidance on engineering procedures. The tankage capacity at Sewree Installation has been increased from 26,700 kls. to 45,000 kls. The LDO Blending facilities at Sabarmati Installation have been completed and commissioned. Work is in hand to provide additional tankage of 80,200 kls. at Kanpur; 26,000 kls. at Mourigram and 14,966 kls. at Shakurbasti installations. Additional tankage for handling additional LSHS for Tata

Thermal Power Station at Bombay has been completed and provision of modern decanting facilities for this station is in hand. Construction of Naphtha tanks on the premises of FCI Durgapur is nearing completion and a pipeline connecting FCI with Rajbandh installation has been completed. It is proposed to expand the existing LPG Bottling Plant at Shakurbasti. Plans are in hand to provide additional tankage at Port Blair. Additional tankage capacity of approximately 54,000 kls. will be put up at Goa in the near future. To meet the increased throughput of our depots by 1974-75, a detailed all-India study of the tankage requirements has been made. The implementation of this proposal will raise the tankage capacity by approximately 3,44,000 kls. Maintenance of plant and machinery for retail outlets has been entrusted to Maintenance Engineers in the Branches and preventive maintenance schedules are being followed.

PERSONNEL:

The total strength of staff in the Marketing Division at the end of the year was 8,185 as against 7,554 at the close of previous year, including 8 management trainees. 524 officers and staff received promotions during the year. A long-term agreement was signed between the management and the four recognised Unions on 11th October 1969, embodying increases in the basis wage, DA and other allowances of the staff from 15 to 50%. The service conditions of officers of the Corporation were rationalised and improved with effect from 1st October, 1969.

INDUSTRIAL RELATIONS & WELFARE:

The industrial relations in the Marketing Division of the Corporation remained satisfactory during the year. Corporation extended the facility of loans and grants to the Cooperative societies and to the Indianoil Club. The Indianoil Club was sanctioned a grant of Rs. 5,000 to start a central library in Bombay and similar grants were sanctioned for Branches. The Consumer Cooperative Stores at the Head Office and in the Housing Colony at Andheri started functioning. Grants were given for establishing and running such Cooperative Societies in the Branches also. The Union executives were deputed for training as Worker Teachers and they have been conducting



regular classes on Workers' Education at different locations throughout the year. A large number of employees are enjoying the benefit of these classes. To facilitate prompt communication, telex machines have been provided at all our Branch Offices and several District Offices. A new scheme for the periodical medical check-up of the officers who are above the age of 40 years has been introduced.

TRAINING:

The Training Centre of the Marketing Division developed additional functional as well as general management training courses, during the year including training in 'Engineering-2-tier programme', 'General Staff Course', 'Office Methods and Procedures', 'General Induction to Indianoil' and 'Elements of Supervision'. Total number of courses conducted at the Head Office and the Branches was 127 as against 43 during the previous year and training was imparted to 1,274 officers and 390 other employees of the Corporation during the year. In addition, 13 courses were centrally conducted imparting training to 180 defence services personnel.

EFFICIENCY RESEARCH:

During the year, several organizational and manpower studies were conducted which included studies of the Accounts and Operations Departments of the Branches, transport needs at AFSs, rationalisation of overtime, etc. Productivity courses were also conducted with a view to inculcating productivity consciousness at all levels. The kilolitres handled per man per year rose from 1,074 during 1968-69 to 1,243 during the current year. To achieve sound Management Information System, the accounting codes developed last year have been implemented. The Forms Design and Control Cell has been engaged in the task of standardising forms in the entire Division and during the year, several forms have been eliminated, combined and standardised.

MATERIALS & INVENTORY CONTROL:

During the year under review, a set of procedures for inspection has been drawn up and compilation of a comprehensive Manual for Purchase and Stores, embodying the modern Materials Management principles is in hand.

The inventory to consumption ratio for stores and spares for the year under review was 42.1% as against 43.4% for the preceding year. Although there has been an increase of about Rs. 108 crores in sales turnover, the year-end inventory decreased by Rs. 0.82 lakhs over the last year. Surplus material worth Rs. 1.60 lakhs been utilised by inter-Branch transfers.

PUBLIC RELATIONS:

An advertising campaign highlighting the opportunities for employment to unemployed graduates as dealers in Indianoil was undertaken during the year. The Corporation participated in Gujarat Industries Exhibition at Ahmedabad and Engineering Exhibition at Ahmedabad and Engineering Exhibition at Calcutta. A colour documentary on Haldia Refinery was undertaken beginning with the foundation stone-laying ceremony of the Refinery. The Corporation actively participated in a number of motor-ing events such as Treasure Hunts in Bombay & Madras, Car Rally in South India and Vintage Car Rally at Calcutta. The Corporation also associated itself with the Rotary Club in organising a Seminar on the problems of 'Road Traffic' at which it won two prizes. The Corporation also helped in collecting funds on the Army & Navy days.

OUTSTANDINGS:

The collection of outstanding dues from the credit customers continues to engage our best efforts. We have persevered with a view to bringing about further improvements. Out of the Sundry Debtors of Rs. 38.61 crores, an amount of approximately Rs. 11.86 crores relates to supplies made under D.G.S. & D contracts. The turnover during the year increased from Rs. 526.16 crores to Rs. 634.85 crores. The outstandings last year represented 25 days' sales, while this year it has been brought down to 22 days' sales, in spite of the increase in the volume of sales. Attention is also invited to Note 10 of Schedule Q of the Accounts. The other oil company has not accepted your Corporation's claim of Rs. 52.86 lakhs and your Corporation proposes to pursue the matter further and, if necessary, take recourse to a court of law.



INDIAN OIL BLENDING LIMITED

The two lube blending plants at Trombay and Calcutta and a grease manufacturing plant at Bombay belonging to the Indian Oil Blending Limited (a joint venture of Indian Oil Corporation Limited and Mobil Petroleum Company Inc., on a 50 : 50 basis), made satisfactory progress in its manufacturing plans during the year under review, with a throughput of 1,27,400 kls. as against 1,22,500 kls. during the previous year. The Grease Plant at Bombay had a throughput of 2,963 MTs as compared to 2,656 MTs during the last year. The number of storage tank increased to 30 in Bombay and 18 in Calcutta. Construction of two additional storage tank increased to 30 in Bombay and 18 in Calcutta. Construction of two additional storage tanks was taken in hand at Calcutta.

Corporation Ltd., from 12th January 1970. An offer was made for the purchase of the remaining equity shares from other Indian shareholders, as a result of which the Corporation acquired a further number of 17,262 shares. IBP's Board of Directors was reconstituted with effect from 12th January 1970 to consist of Shri Kamaljit Singh, Chairman, Shri S.B. Budhiraja, Managing Director and Shri V. Balakrishnan, Director—all representatives of the Indian Oil Corporation.

The total sale of IBP during the year 1969 was 2,02,060 MTs as against 1,85,355 MTs during the year 1968. The company made a gross profit before depreciation of Rs. 42.03 lakhs during 1969 as against Rs. 38.45 lakhs during



First retail outlet, commissioned at Coimbatore, under the scheme of dealership for unemployed graduates.

Indian Oil Blending Limited declared a dividend of 20% on its paid-up capital.

INDO-BURMA RETROLEUM COMPANY LIMITED

The Corporation purchased 5,79,400 ordinary shares of the face value of Rs. 10/- each of IBP from M/s Steel Brothers & Co. Ltd. IBP, with a total paid-up equity capital of Rs. 1.00 crore became a subsidiary of the Indian Oil

1968. The Company declared an interim dividend of Rs. 0.50 per ordinary share and an additional final dividend of Rs. 0.75 during the year.

INDIAN OIL INTERNATIONAL LIMITED

A wholly-owned subsidiary of the Indian Oil Corporation Limited was registered on 24th October 1969 under the name and style of the

Indian Oil International Limited for the sale of IOC's POL products within the territory of Nepal. The company is having its registered office at New Delhi and Branch offices at Kathmandu and Calcutta. The Indian Oil International Limited was registered as a foreign company in Kathmandu on 11th June 1970 in compliance with the provisions of the Nepal Company Act. The authorised capital of the company is Rs. 5 lakhs and the paid-up capital is Rs. 1 lakh. Excepting one share held by the Chairman, IOC, the rest of shares are held by the Indian Oil Corporation Limited. Its Board of Directors consists of IOC's representatives: Shri Bimal Kapoor, Shri S.N. Sinha and Shri S.S. Saxena.

BOARD OF DIRECTORS

Shri N.C. Sen Gupta, Dr. S.K. Mukherjee and Shri M.S. Pathak were appointed as Directors of the Corporation with effect from 30th September 1969, afternoon. Sarvashri M.V. Rajwade, Dharmananda Das, S.M. Ghosh, K.L.N. Prasad, Arun Roy Choudhury, Yogendra Mishra and M. Ct. Pethachi retired

at the last Annual General Meeting held on 30th September 1969 but were re-appointed as Directors of the Corporation with effect from 18th December 1969. Shri S.K. Mukerjee was appointed as Director with effect from 23rd December 1969. Shri Dharmananda Das ceased to be a

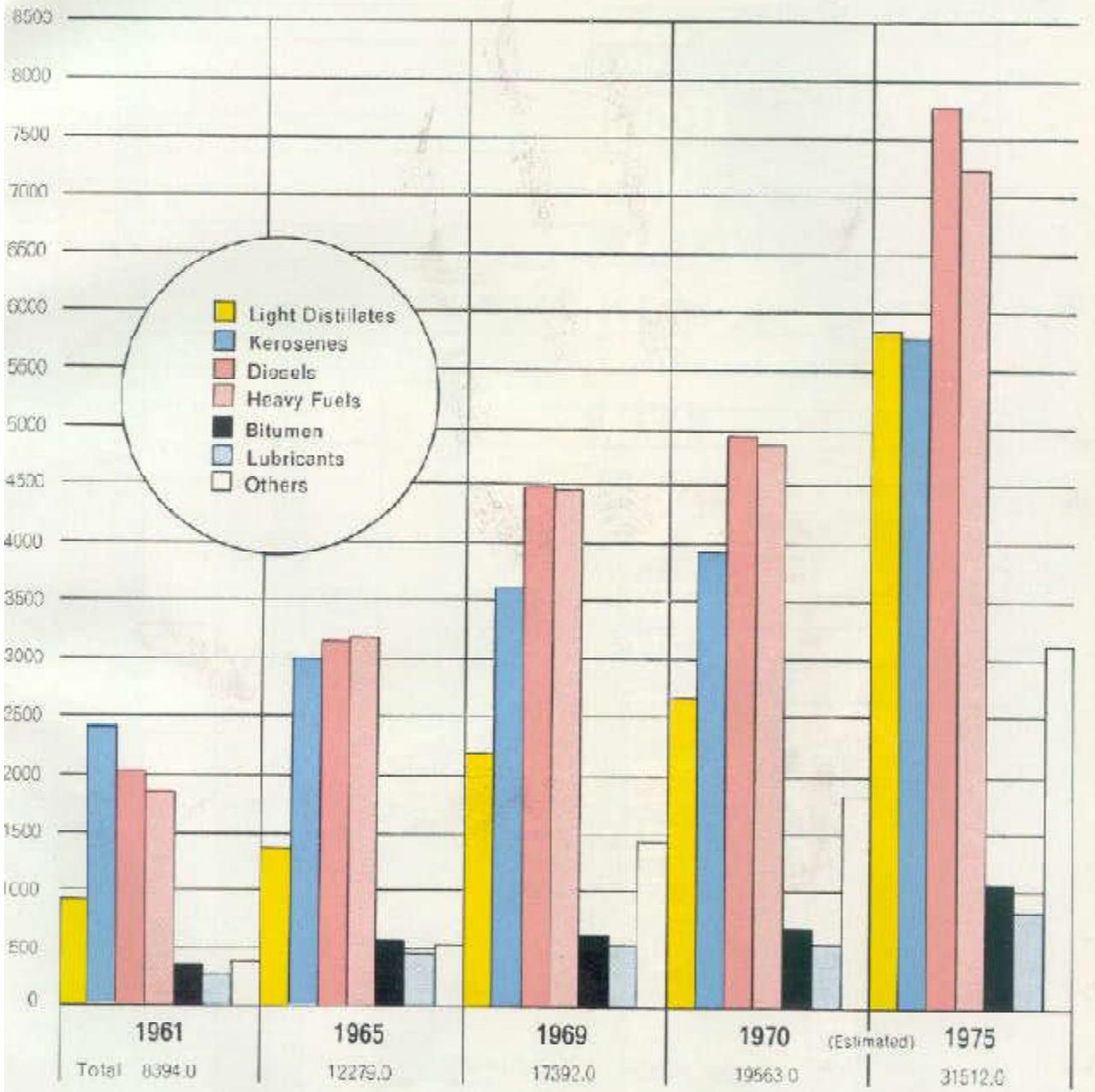
Director with effect from 4th March 1970 and Shri M. Ahmed was appointed in his place. Shri K.L.N. Prasad ceased to be a Director with effect from 11th March 1970. Maj. Gen Sarda Nand Singh ceased to be the Managing Director of Refineries & Pipelines Division with effect from 30th June 1970 and Shri C.R. Das Gupta was appointed as Managing Director in his place with effect from 1st July 1970. The Board of Directors held 12 meetings during the year with an average attendance of 76%.

For and on behalf of the Board,
N.N. KASHYAP,
Chairman.

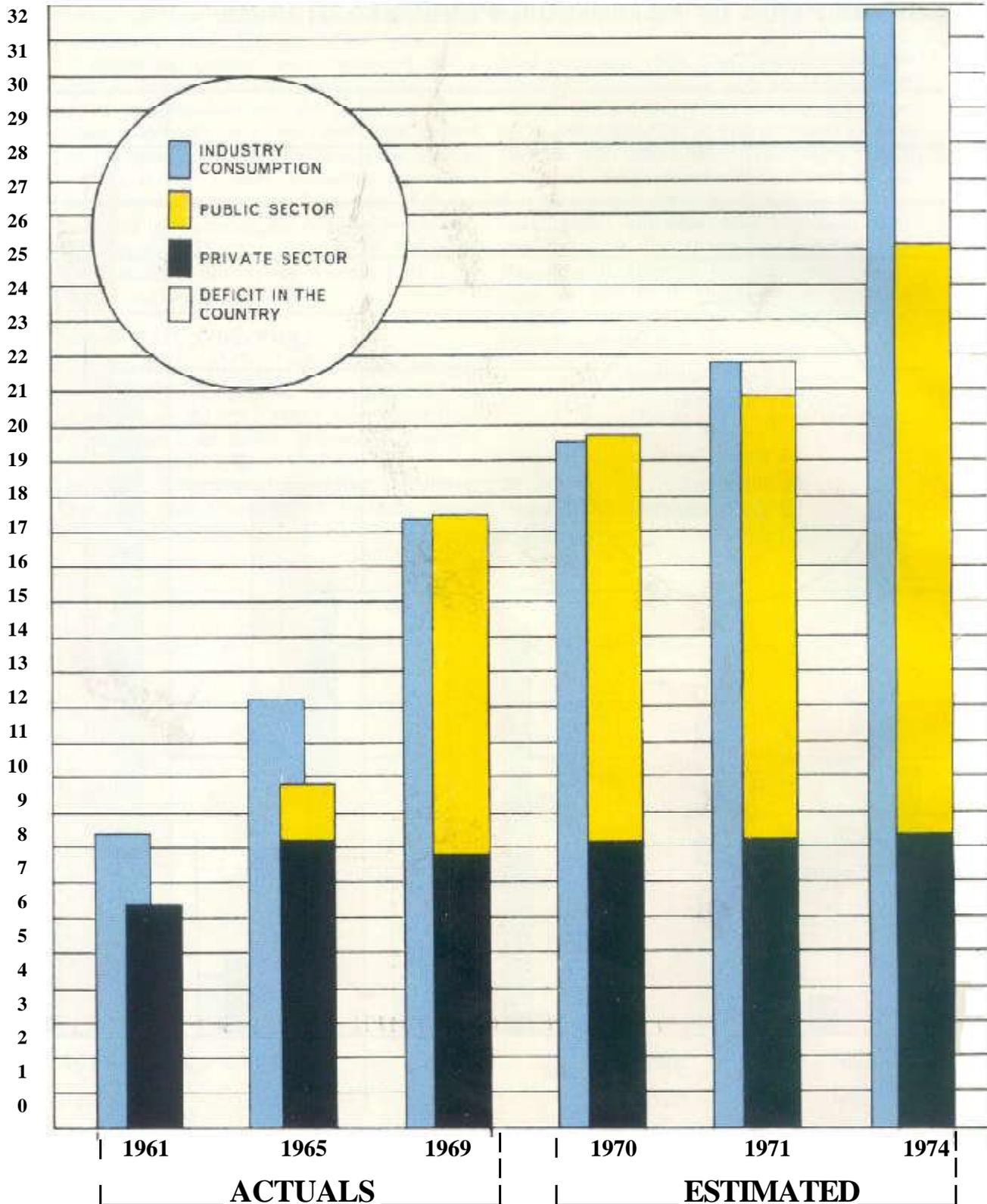
*Bombay,
Dated 15th September, 1970.*

CONSUMPTION OF PETROLEUM PRODUCTS IN INDIA

(Figs in '000 MTS)



CONSUMPTION OF PETROLEUM PRODUCTS AND REFINING CAPACITY IN INDIA



INDIAN OIL

Indianoil's aviation fuel service now covers 20 National and International Airlines.

- AEROFLOT**
- AIR-INDIA**
- ARIANA**
- AIR FRANCE**
- ETHIOPIAN**
- IRAN AIR**
- IRAQI**
- AI**
- JAL**
- KLM**
- Lufthansa**
- MSA**
- PAN AM**
- QANTAS**
- SABENA**
- SAUDI ARABIAN**
- SYRIAN ARAB**
- SAS**
- THAI**
- UBA**

The advertisement features a black and white photograph of an Air-India Boeing 747 aircraft on a tarmac. A large fuel truck with 'INDIAN OIL' branding is positioned next to the aircraft, with a fuel hose connected to its wing. The sky is filled with dramatic, dark clouds. The text 'INDIAN OIL' is prominently displayed at the top left, and the list of 20 airlines is arranged vertically on the right side of the image.



BALANCE SHEET AS AT 31ST MARCH, 1970

	<i>Schedule</i>	<i>Rupees</i>	<i>Rupees</i>	<i>1969</i> <i>Rupees</i>
<u>FUNDS EMPLOYED</u>				
1. Share Capital	'A'	71,17,72,000		71,17,72,000
2. Reserves & Surplus	'B'	<u>38,97,24,202</u>		<u>23,55,04,556</u>
3. Total Share Holders Funds			1,10,14,96,202	<u>94,72,76,556</u>
4. Loans:				
(a) Secured	'C'	14,78,74,905		21,76,52,045
(b) Unsecured	'D'	<u>60,46,64,889</u>		<u>71,52,80,814</u>
			<u>75,25,39,794</u>	<u>93,29,32,859</u>
5. Total Funds Employed			<u>1,85,40,35,996</u>	<u>1,88,02,09,415</u>
<u>APPLICATION OF FUNDS</u>				
6. Fixed Assets:				
(a) Gross Block	'E'	1,73,13,59,448		1,64,83,03,575
(b) <i>Less</i> : Depreciation		<u>34,35,40,822</u>		<u>23,75,62,258</u>
		1,38,78,18,626		<u>1,41,07,41,317</u>
(c) Construction work in progress and capital Goods in Stock	'F'	<u>10,85,87,537</u>		<u>7,42,90,106</u>
			1,49,64,06,163	<u>1,48,50,31,423</u>
7. Investments	'G'		1,10,48,292	<u>35,07,025</u>
8. Current Assets including Loans & Advances:				
(a) Interest accrued on investments		34,590		11,396
(b) Inventories	'H'	51,10,74,609		40,02,16,517
(c) Book Debts	'I'	39,09,08,361		35,79,08,296
(d) Cash Balances:				
Cash including Imprest and Cheques in hand		2,29,19,673		60,41,464
(e) Bank Balances:				
(i) With Scheduled Bank on Current Account		17,56,010		40,61,191
(ii) With Scheduled Bank on Fixed Deposit Account (including Rs. 4,99,492—lodged by outside parties—1969: Rs. 2,93,952)..		<u>11,50,342</u>		<u>9,72,540</u>
		29,06,352		50,33,731
(f) Loans and Advances 'J'		<u>11,91,28,810</u>		<u>12,78,82,843</u>
		1,04,69,72,395		89,70,94,247
9. <i>Less</i> : Current Liabilities & Provisions	'K'	<u>70,03,90,854</u>		<u>50,54,23,280</u>
10. Net Current Assets:				
(Working Capital)—(8) minus (9)			34,65,81,541	39,16,70,967
TOTAL:			<u>1,85,40,35,996</u>	<u>1,88,02,09,415</u>
Contingent Liabilities not provided for (Refer Schedule 'Q' Note 1) Notes forming part of Accounts.	'Q'			

As per our report attached

LOVELOCK & LEWS
S.B. BILLIMORIA & CO.
RAY & RAY

N.N. KASHYAP
Chairman

KAMALJIT SINGH
Managing Director

P.K. RAU
Director

D.B. PURI
Secretary

Chartered Accountants.
Bombay, 1st September, 1970.



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1970

	<i>Rupees</i>	<i>Rupees</i>	<i>1969</i> <i>Rupees</i>
INCOME:			
1. (i) Sale of Products and transfer under Product Exchange	6,36,59,75,534		5,27,26,87,595
(ii) <i>Less:</i> Commission and Discounts	1,74,98,861		1,10,91,294
	<u>6,34,84,76,673</u>		<u>5,26,15,96,301</u>
2. Company's use of own oil	82,53,886		66,99,818
		6,35,67,30,559	5,26,82,96,119
3. Other Income (Schedule 'L')		2,68,59,718	1,57,64,822
		<u>6,38,35,90,277</u>	<u>5,28,40,60,941</u>
EXPENDITURE:			
1. Purchase and transfer under Product Exchange		1,81,32,95,991	1,62,70,47,905
2. Manufacturing, Administration, Selling and Other Expenses (Schedule 'M')		1,36,84,76,134	1,14,97,05,202
3. Excise Duty		2,84,32,93,242	2,19,48,17,877
4. Depreciation and Amortisation		10,95,03,627	7,89,55,839
5. Interest			
(i) On Government Loan for fixed period	3,60,52,712		4,16,27,114
(ii) On Foreign Credit for fixed period	55,88,765		51,75,696
(iii) Other	84,12,440		1,62,43,270
		<u>5,00,53,917</u>	<u>6,30,46,080</u>
TOTAL		<u>6,18,46,22,911</u>	<u>5,11,35,72,903</u>
6. <i>Less:</i> Expenses Capitalised		<u>50,87,975</u>	<u>1,41,49,669</u>
TOTAL EXPENDITURE		<u>6,17,95,34,936</u>	<u>5,09,94,23,234</u>
7. PROFIT		20,40,55,341	18,46,37,707
8. Balance brought forward from last year's Account		5,77,878	7,64,211
9. Disposable Profit		<u>20,46,33,219</u>	<u>18,54,01,918</u>
APPROPRIATIONS:			
10. Development Rebate Reserve		14,40,73,322	12,00,00,000
11. General Reserve		1,00,00,000	1,50,00,000
12. Proposed Dividend (Rs. 70 per share)		4,98,24,040	4,98,24,040
13. Income Tax for the prior years		8,910	—
14. Dividend for prior year (1966-67)		2,745	—
BALANCE CARRIED TO BALANCE SHEET		7,24,202	5,77,878
TOTAL		<u>20,46,33,219</u>	<u>18,54,01,918</u>
As per our report attached to the Balance Sheet			

LOVELOCK & LEWES
S.B. BILLIMORIA & CO.
RAY & RAY

N.N. KASHYAP
Chairman

KAMALJIT SINGH
Managing Director

P.K. RAU
Director

D.B. PURI
Secretary

Chartered Accountants
Bombay, 1st September, 1970.



SCHEDULE 'A'—SHARE CAPITAL

SHARE CAPITAL:	<u>Rupees</u>	<u>1969 Rupees</u>
Authorised:		
8,50,000 Equity Shares of Rs. 1,000 each	85,00,00,000	85,00,00,000
Issued and Subscribed:		
7,11,772 Equity Shares of Rs. 1,000 each fully paid (Of the above, 3,76,497 Shares and 1,00,000 Shares were allotted as fully paid pursuant to the Petroleum Companies Amalgamation Order, 1964, and the Gujarat Refinery Project Undertaking (Transfer) Amendment) Order, 1965, respectively, without payment having been received in cash)	<u>71,17,72,000</u>	<u>71,17,72,000</u>

SCHEDULE 'B'—RESERVES AND SURPLUS

RESERVES AND SURPLUS:	<u>Rupees</u>	<u>Rupees</u>	<u>1969 Rupees</u>
General Reserve:			
As per last Account	7,90,00,000		6,40,00,000
Transferred from Profit and Loss Account	<u>1,00,00,000</u>		<u>1,50,00,000</u>
		8,90,00,000	7,90,00,000
Development Rebate Reserve:			
As per last Account	15,59,26,678		3,59,26,678
Transferred from Profit and Loss Account	<u>14,40,73,322</u>		<u>12,00,00,000</u>
		30,00,00,000	15,59,26,678
Profit and Loss Account as per annexed Account		<u>7,24,202</u>	<u>5,77,878</u>
TOTAL		<u><u>38,97,24,202</u></u>	<u><u>23,55,04,556</u></u>



SCHEDULE 'C'—SECURED LOANS

	Rupees	1969 Rupees
SECURED LOANS:		
Loan and Advances from Bank:		
(i) Secured by hypothecation of inventories	4,56,25,167	10,20,70,398
(ii) Secured by hypothecation of book debts, outstanding monies, recoverable claims, contracts, engagements, etc. and guaranteed by the President of India	10,22,49,738	11,55,81,647
TOTAL	<u>14,78,74,905</u>	<u>21,76,52,045</u>

SCHEDULE 'D'—UNSECURED LOANS

	Rupees	1969 Rupees
UNSECURED LOANS:		
Other Loans and Advances:		
From the Government of India (including Rs. 9,58,64,448—1969: Rs. 9,76,45,734 due for payment within one year)	53,73,31,066	63,49,76,800
Foreign Credit (including Rs. 1,76,36,559—1969: Rs. 1,74,92,100 ---due for payment within one year)	6,72,58,177	8,02,458,213
Interest accrued and due on loans	75,646	45,801
TOTAL	<u>60,46,64,889</u>	<u>71,52,80,814</u>

SCHEDULE 'E' —FIXED ASSETS

	Gross Block as at 31st March, 1969 at cost	Additions During the year at cost	Transfers, Deductions and Reclassifications at cost
	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>
LAND:Freehold	2,71,63,624	79,10,461	(+) 2,95,197
Leasehold	19,02,549	59,153	—
Right of way	29,82,476	44,144	(-) 20,375
BUILDINGS, ROADS Etc.	17,19,12,242	34,92,346	(+) 1,01,67,933
PLANT AND MACHINERY	1,24,00,30,985	3,07,57,442	(+) 2,10,93,918
TRANSPORT EQUIPMENT	4,18,54,813	26,70,554	(-) 13,66,511
FURNITURE & FIXTURES	2,22,15,203	23,97,532	(+) 10,27,308
RAILWAY SIDINGS	2,14,37,629	19,64,063	(+) 80,653
DRAINAGE, SEWAGE AND WATER SUPPLY SYSTEM	11,86,12,128	8,46,195	(+) 16,33,700
SUNDRY ASSETS	1,91,926	17,234	(-) 15,074
TOTAL	1,64,83,03,575	5,01,59,124	(+) 3,28,96,749
<i>PREVIOUS YEAR</i>	<i>(1,38,41,73,472)</i>	<i>(3,01,92,523)</i>	<i>(+) (23,39,37,580)</i>



SCHEDULE 'E' —FIXED ASSETS (Contd....)

Gross Block as at 31st March, 1970 at cost	Depreciation and Amortisation for the year	Total Depreciation and Amortisation upto 31st March, 1970	Net Depreciated Block as at 31st March, 1970	1969
<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
3,53,69,282	—	—	3,53,69,282	2,71,63,624
19,61,702	91,079	4,00,191	15,61,511	15,93,438
30,06,245	—	—	30,06,245	29,82,476
18,55,72,521	48,94,777	2,03,74,956	16,51,97,565	15,62,28,438
1,29,18,82,345	9,02,19,157	27,29,00,513	1,01,89,81,832	1,05,60,40,897
4,31,58,856	56,62,253	1,69,82,973	2,61,75,883	2,86,57,970
2,56,40,043	21,56,872	64,88,695	1,91,51,348	1,78,39,710
2,34,82,345	16,13,925	35,26,960	1,99,55,385	1,94,57,490
12,10,92,023	48,31,862	2,27,30,601	9,83,61,422	10,07,04,740
1,94,086	33,702	1,35,933	58,153	72,534
1,73,13,59,448	10,95,03,627	34,35,40,822	1,38,78,18,626	1,41,07,41,317
(1,64,83,03,575)	(7,89,55,839)	(23,75,62,258)	(1,41,07,41,317)	



SCHEDULE 'F'—CONSTRUCTION WORK-IN-PROGRESS AND CAPITAL GOODS IN STOCK

	<u>Rupees</u>	<u>Rupees</u>	<u>1969</u> <u>Rupees</u>
CONSTRUCTION WORK-IN-PROGRESS AND CAPITAL GOODS IN STOCK:			
1. Work-in-Progress (at cost) (including unallocated capital expenditure and materials at site)		8,89,98,491	5,60,23,359
2. Goods in Stores (at cost) including Rs. 88,711 lying with Contractors (1969: Rs. 1,11,616)		1,14,72,346	1,07,87,223
3. Goods in transit (at cost)		9,40,022	6,50,881
4. Construction period Expenses pending allocation:	68,28,643		3,31,07,671
Balance as at 1st April, 1969			
Add: Expenditure during the year			
Establishment charges	18,75,384		49,59,295
Interest	15,97,332		20,25,729
Depreciation	63,179		4,64,337
Others	9,40,447		13,39,213
TOTAL	<u>1,13,04,985</u>		<u>4,18,96,245</u>
Less: Recoveries	74,454		9,85,069
	<u>1,12,30,531</u>		<u>4,09,11,176</u>
Less: Allocated to assets during the year	40,53,853		3,34,76,569
Less: Transferred to Profit & Loss Account	<u>—</u>		6,05,964
			<u>3,40,82,533</u>
		<u>71,76,678</u>	<u>68,28,643</u>
TOTAL		<u>10,85,87,537</u>	<u>7,42,90,106</u>



SCHEDULE 'G'—INVESTMENTS

	<u>Rupees</u>	<u>Rupees</u>	<u>1969</u> <u>Rupees</u>
INVESTMENTS: (at cost)			
A. Unquoted:			
1. In Government Securities (Deposited with various bodies)		4,01,547	2,51,075
2. Trade Investments:			
(i) Indian Oil Blending Limited (a body corporate in the same group) 4000 Equity Shares of Rs. 500 each fully paid in cash	20,00,000		20,00,000
(ii) International Co-operative Petroleum Association 314 Shares of \$ 100 each fully paid	<u>1,81,853</u>		<u>1,81,853</u>
		21,81,853	21,81,853
3. Other Investments:			
Consumers' Co-operative Society:-			
(i) Barauni—250 Equity shares of Rs. 10 each fully paid in cash	2,500		2,500
(ii) Gauhati---250 Equity Shares of Rs. 10 each fully paid in cash	<u>2,500</u>		<u>2,500</u>
		5,000	5,000
4. Investments by Outside Parties:			
Security Deposits per contra		10,46,415	10,69,097
B. Investments in Subsidiaries:			
(i) Indian Oil International Limited (Unquoted) 100 Equity Shares of Rs. 1,000/- each fully paid in cash—acquired during the year	1,00,000		—
(ii) Indo-Burma Petroleum Company Limited (Quoted) 579400 Equity Shares of Rs. 10 each fully paid in cash—acquired during the year (Market value Rs. 74,45,290)	<u>73,13,477</u>		—
		74,13,477	—
TOTAL		<u><u>1,10,48,292</u></u>	<u><u>35,07,025</u></u>

SCHEDULE 'H'—INVENTORIES

	<u>Rupees</u>	<u>Rupees</u>	<u>1969</u> <u>Rupees</u>
INVENTORIES:			
1. Stores, Spares etc.:			
(a) Stores and spare parts (at or under cost)	9,99,84,545		7,94,61,475
(b) Loose tools	2,08,239		2,19,170
(c) Liquid Petroleum Gas Accessories (at cost)	—		7,88,010
(d) Stores in transit (at cost)	<u>1,02,92,115</u>		<u>63,97,614</u>
		11,04,84,899	8,68,66,269
2. Raw Materials (at cost)		6,32,26,800	5,23,91,955
3. Stock-in-Trade:			
(a) Oil Stocks at cost or net realisable value whichever is lower)	31,70,05,340		23,93,63,524
(b) Stock in Process (at or under cost)	<u>1,66,86,714</u>		<u>1,80,68,449</u>
		33,36,92,054	25,74,31,973
4. Stock of empty Barrels and Tins (at cost or net realisable value whichever is lower)		36,70,856	35,26,320
Total		<u>51,01,74,609</u>	<u>40,02,16,517</u>

SCHEDULE 'I'—BOOK DEBTS

	<u>Rupees</u>	<u>Rupees</u>	<u>1969</u> <u>Rupees</u>
BOOK DEBTS:			
1. Over six months:			
(a) Secured Considered Good	16,14,122		5,95,785
(b) Unsecured Considered Good	9,78,73,591		9,89,36,663
(c) Unsecured Considered Doubtful	<u>60,79,477</u>		<u>33,14,207</u>
		10,55,67,190	10,28,46,625
2. Less than six months:			
(a) Secured Considered Good	39,66,814		39,79,999
(b) Unsecured Considered Good	28,74,53,834		25,43,95,879
(c) Unsecured Considered Doubtful	<u>66,097</u>		<u>30,661</u>
		29,14,86,745	25,84,06,539
		39,70,53,935	36,12,53,164
3. Less: Provision for Doubtful Debts		61,45,574	33,44,868
Total		<u>39,09,08,361</u>	<u>35,79,08,296</u>

1. Debts due by Private Companies in which Directors are interested as Directors Rs. 95,41,933.
2. Debts due from Companies under the same Management—Schedule 'O'.



SCHEDULE 'J'—LOANS AND ADVANCES

	<u>Rupees</u>	<u>Rupees</u>	<u>1969</u> <u>Rupees</u>
LOANS AND ADVANCES:			
1. Bills of Exchange		—	14,43,094
2. Advances Recoverable in cash or in kind or for value to be received including cost of Materials supplied to Contractors:			
(a) Secured Considered Good	65,89,213		44,72,342
(b) Unsecured Considered Good	2,78,76,232		4,46,13,235
(c) Unsecured Considered Doubtful	1,16,213		1,01,731
	<u>3,45,81,658</u>		<u>4,91,87,308</u>
(d) Less: Provision for Doubtful Advances	1,16,213		1,01,731
		3,44,65,445	<u>4,90,85,577</u>
3. Claims Recoverable:			
(a) Unsecured Considered Good	2,00,08,281		1,39,24,717
(b) Unsecured Considered Doubtful	16,46,644		6,88,976
	<u>2,16,54,925</u>		<u>1,46,13,693</u>
(c) Less: Provision for Doubtful Claims	16,46,644		6,88,976
		2,00,08,281	<u>1,39,24,717</u>
4. Materials on Loan:			
(a) Unsecured Considered Good	22,20,293		21,45,339
(b) Unsecured Considered Doubtful	26,491		64,006
	<u>22,46,784</u>		<u>22,09,345</u>
(c) Less: Provision for Doubtful loans	26,491		64,006
		22,20,293	<u>21,45,339</u>
5. Balances with Customs, Port Trust and Excise Authorities		3,49,91,771	2,99,51,657
6. Sundry Deposits—Unsecured Considered Good including amount adjustable on receipt of final bills		2,74,43,020	3,13,32,459
	<u>Total</u>	<u>11,91,28,810</u>	<u>12,78,82,843</u>

Advances due from Companies under the same Management—Schedule 'P'



SCHEDULE 'K'—CURRENT LIABILITY & PROVISION

	Rupees	Rupees	1969 Rupees
A. CURRENT LIABILITIES:			
1. Acceptances	7,54,86,573		5,01,72,459
2. Sundry Creditors	48,50,27,278		35,21,42,080
3. Security Deposits (including Rs. 4,99,492 deposit with the Bank as per contra—1969: Rs. 2,93,952 and investments lodged by outside parties as per contra Rs. 10,46,415—1969: Rs. 10,69,097)	6,20,07,356		2,61,81,682
	<u>1,25,30,066</u>		<u>1,66,59,128</u>
		63,50,51,273	<u>44,51,55,349</u>
B. PROVISIONS:			
5. Provision for Gratuity	1,10,16,056		64,36,866
6. Provision for Renewal of Catalyst	44,99,485		40,07,025
7. Proposed Dividend	<u>4,98,24,040</u>		<u>4,98,24,040</u>
		<u>6,53,39,581</u>	<u>6,02,67,931</u>
Total		<u><u>70,03,90,854</u></u>	<u><u>50,54,23,280</u></u>

SCHEDULE 'L'—OTHER INCOME

	Rupees	Rupees	1969 Rupees
OTHER INCOME			
1. Sale of Power and Water		56,19,706	51,63,063
2. Exchange Fluctuations		46,832	—
3. Interest on Advances (Gross—Tax deducted at source Rs. 10,303 — 1969: Rs. 24,135)		14,13,038	4,18,065
4. Profit on Sale and disposal of Assets		2,79,007	1,82,478
5. Income from Investments		23,200	6,573
6. Dividends Received (Trade investments): Gross (Including tax deducted at source Rs. 43,674—1969: Rs. 60,082) Less: Withheld U.S. Tax	4,07,019		4,04,693
	<u>2,106</u>		<u>1,408</u>
		4,04,913	<u>4,03,285</u>
7. Miscellaneous Income		1,90,63,442	92,82,074
8. Provision for doubtful debts and Advances written back		9,580	9,284
9. Provision for contingencies witten back		—	3,00,000
Total		<u><u>2,68,59,718</u></u>	<u><u>1,57,64,822</u></u>

SCHEDULE 'M'—MANUFACTURING, ADMINISTRATION, SELLING AND OTHER EXPENSES

	<i>Rupees</i>	<i>Rupees</i>	<i>1969</i> <i>Rupees</i>
MANUFACTURING, ADMINISTRATION, SELLING AND OTHER EXPENSES:			
1. Raw Materials consumed:			
Opening balance as on 1st April, 1969	5,23,91,955		4,72,15,336
Add: Purchases	78,30,17,285		72,02,83,850
	<u>83,54,09,240</u>		<u>76,74,99,186</u>
Less: Closing Stock	<u>6,32,26,800</u>		<u>5,23,91,955</u>
		77,21,82,440	71,51,07,231
2. Consumption:			
(i) Stores and Spares	2,12,18,154		2,33,78,409
(ii) Other Packages	4,42,82,538		4,26,57,498
	<u>6,55,00,692</u>		<u>6,60,35,907</u>
3. Power and Fuel	3,84,99,781		3,45,46,663
Less: Fuel of own production	<u>3,67,64,195</u>		<u>3,33,59,193</u>
		17,35,586	11,87,470
4. Blending Fees, Royalty and other charges		1,08,69,410	1,00,53,942
5. Provision for renewal of Catalyst		4,92,460	17,29,513
6. Repairs and Maintenance:			
(a) Plant and Machinery	1,37,30,556		1,18,45,576
(b) Buildings	24,50,616		27,08,499
(c) Others	41,95,820		25,61,679
	<u>2,03,76,992</u>		<u>1,71,15,754</u>
7. Freight and Transportation Charges		33,86,82,731	18,83,73,194
8. Payment to and Provision for employees:			
(a) Salaries, Wages and Bonus	10,52,08,425		8,67,19,720
(b) Contribution to Provident Fund	57,32,331		53,45,194
(c) Staff Welfare Expenses	50,07,445		35,09,591
(d) Provision for Gratuity	<u>45,79,191</u>		<u>25,13,402</u>
		12,05,27,392	9,80,87,907
9. Office Administration, Selling and other Expenses (Schedule 'N')		10,10,07,392	7,91,73,514
10. Less: Increase in Stocks:			
Closing Stock as on 31st March, 1970:			
Finished Products	31,70,05,340		23,93,63,524
Stock in Process	1,66,86,714		1,80,68,449
	<u>33,36,92,054</u>		<u>25,74,31,973</u>
Less: Opening Stock as on 1st April, 1969:			
Finished Products	23,93,63,524		21,45,64,168
Adjustment in respect of previous year (See Note No. 14)	1,33,60,786		—
Stock in Process	1,80,68,449		1,57,08,575
	<u>27,07,92,759</u>		<u>23,02,72,743</u>
		(-)6,28,99,295	(-) 2,71,59,230
Total		<u>1,36,84,76,134</u>	<u>1,14,97,05,202</u>



SCHEDULE 'N'—OFFICE ADMINISTRATION, SELLING AND OTHER EXPENSES

	<u>Rupees</u>	<u>Rupees</u>	<i>1969</i> <u>Rupees</u>
<u>OFFICE ADMINISTRATION, SELLING AND OTHER EXPENSES</u>			
1. Rent		2,23,47,109	<i>1,25,54,120</i>
2. Insurance		41,91,056	<i>36,14,037</i>
3. Rates and Taxes		2,05,29,018	<i>1,97,54,464</i>
4. Donations		89,235	<i>1,31,386</i>
5. Directors' Fees		4,700	<i>6,700</i>
6. Payments to Auditors:			
a. Audit Fees	1,80,000		<i>1,65,000</i>
b. Other Services	25,800		<i>14,796</i>
c. Out of Pocket Expenses	<u>51,395</u>		<i>45,954</i>
7. Office Administration, Selling and Other expenses		2,57,195	<i>2,25,750</i>
8. Bad Debts, Advances and Insurance claims written off		4,56,32,807	<i>4,00,95,838</i>
9. Loss on Assets sold, lost or written off		11,60,118	<i>9,70,271</i>
10. Loss on Assets due to fire		24,62,396	<i>8,88,560</i>
11. Exchange Fluctuations		5,89,171	<i>—</i>
12. Provision for Doubtful Debts, Advances and Claims	—	—	<i>5,39,138</i>
		<u>37,44,921</u>	<i>3,93,250</i>
Total		<u><u>10,10,07,726</u></u>	<u><u>7,91,73,514</u></u>



SCHEDULE 'O'—DEBTS DUE FROM COMPANIES UNDER THE SAME MANAGEMENT

Name of the Company	<u>Rupees</u>	<u>1969 Rupees</u>
Ashoka Hotels Limited	20,231	13,887
Bharat Earth Movers Limited	96,446	27,456
Bharat Electronics Limited	37,525	31,358
Bharat Heavy Electricals Limited	1,63,387	1,60,495
Bharat Heavy Plates and Vessels Limited	1,029	1,201
Bokaro Steel Limited	1,87,292	1,73,312
Cement Corporation of India Limited	603	11,343
Central Inland Water Transport Corporation Ltd.	20,155	28,571
Central Road Transport Corporation Limited	2,66,841	2,81,285
Cochin Refiners Limited	7,404	21,084
Electronic Corporation of India Limited	128	—
Engineers India Limited	6,478	8,583
Fertilizer Corporation of India Limited	25,00,705	9,33,319
Garden Reach Workshops Limited	76,230	2,01,086
Haryana Agro Industries Corporation Limited	2,548	—
Heavy Electricals (India) Limited	62,561	97,942
Heavy Engineering Corporation Limited	6,36,951	2,36,967
Hindustan Antibiotics Limited	2,90,500	2,28,900
Hindustan Cables Limited	65,855	46,649
Hindustan Copper Limited	94,552	—
Hindustan Housing Factory Limited	3,072	3,942
Hindustan Insecticides Limited	7,879	8,597
Hindustan Latex Limited	8,895	6,001
Hindustan Machine Tools Limited	3,94,354	1,87,406
Hindustan Organic Chemicals Limited	1	2,184
Hindustan Photo Films Manufacturing Limited	2,404	5,971
Hindustan Shipyard Limited	3,01,635	51,926
Hindustan Steel Limited	45,31,309	57,88,667
Hindustan Steel Works Construction Limited	2,45,510	10,13,314
Hindustan Teleprinters Limited	11,032	20,521
Hindustan Zinc Limited	1,39,235	16,081
Indo-Burma Petroleum Company Limited	80,85,507	—
Indian Drugs and Pharmaceuticals Limited	7,38,208	5,39,910
Indian Petro Chemicals Corporation Limited	60,676	—
Indian Rare Earths Limited	81,282	80,226
Indian Telephone Industries Limited	69,254	1,20,592
Indian Tourism Development Corporation Limited	10,428	—
Instrumentation Limited	142	1,242
Lubrizol India Limited	37,652	—
Madras Fertilizers Limited	4,735	—
Madras Refineries Limited	11,794	1,64,855
Manganese Ore (India) Limited	29,066	31,572
Mining and Allied Machinery Corporation Ltd.	2,92,888	2,94,225
Mazagon Dock Limited	2,76,054	2,19,241
Carried forward	<u>2,21,62,081</u>	<u>1,35,70,439</u>



SCHEDULE 'O'—DEBTS DUE FROM COMPANIES UNDER THE SAME MANAGEMENT—Contd.

<u>Name of the Company</u>	Rupees	1969 <u>Rupees</u>
Brought forward	2,21,62,081	1,35,70,439
Modern Bakeries Limited	43,305	10,457
Mogul Line Limited	5,97,254	3,66,053
Minerals and Metals Trading Corporation Ltd.	1,684	—
Nahan Foundry Limited	—	3,611
National Buildings Construction Corporation Ltd.	5,333	407
National Coal Development Corporation Limited	27,72,879	24,32,637
National Instruments Limited	390	1,565
National Mineral Development Corporation Ltd.	5,88,718	4,58,336
National Newsprint and Paper Mills Limited	1,18,753	57,642
National Projects Construction Corporation Ltd.	1,25,228	2,02,703
Neyveli Lignite Corporation Limited	3,04,999	2,14,265
Praga Tools Limited	1,02,659	26,261
Punjab Agro Industries Corporation Limited	351	—
Pyrites and Chemicals Development Company Ltd.	53,614	13,459
Sambhar Salts Limited	6,320	19,302
Shipping Corporation of India Limited	39,79,382	50,33,157
Singareni Collieries Company Limited	—	1,814
State Trading Corporation of India Limited	2,59,385	50,33,157
Triveni Structurals Limited	4,107	9,655
Tungabhadra Steel Products Limited	3,830	—
TOTAL	<u>3,11,30,747</u>	<u>2,26,74,972</u>



SCHEDULE 'P'—ADVANCES DUE FROM COMPANIES UNDER THE SAME MANAGEMENT

<u>Name of the Company</u>	Maximum amount during the year		1969	
	Rupees	Rupees	Rupees	Maximum amount Rupees
Bharat Electronics Limited	—	7,567	7,567	7,567
Bharat Heavy Electricals Limited	34,45,700	35,49,471	77,683	1,47,664
Central Indian Water Transport Corporation Limited	35,000	39,500	—	—
Bokaro Steel Limited	—	—	—	1,435
Engineers India Limited	8,86,226	59,33,316	7,76,80	14,25,933
Fertilizers and Chemicals, Travancore Limited	1,94,024	2,84,705	60,001	83,270
Hindustan Antibiotics Limited	1,113	11,687	—	—
Hindustan Cables Limited	17,705	17,705	17,705	1,27,085
Hindustan Machine Tools Limited	72	6,550	2	32,602
Hindustan Steel Limited	4,57,274	22,41,546	65,851	3,82,110
Hindustan Teleprinters Limited	2,386	2,376	250	250
Hindustan Organic Chemicals Limited	247	247	—	—
Indian Drugs & Pharmaceuticals Limited	—	16	16	16
Indian Oil International Limited	85,621	85,621	—	—
Indian Rare Earths Limited	8,596	12,894	—	15,132
Indian Telephone Industries Limited	84,384	1,17,068	30,301	35,437
National Projects Construction Corporation Limited	—	—	—	2,00,000
Minerals & Metals Trading Corporation of India Limited	8,07,823	38,22,000	2,49,412	41,79,655
Madras Refineries Limited	1,22,540	9,33,896	—	—
State Trading Corporation of India Limited	—	2,003	2,003	21,128
Shipping Corporation of India Limited	45,464	45,464	—	—
TOTAL	59,94,165		12,87,591	



SCHEDULE 'Q'—NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1970

1. Contingent Liabilities not provided for:

- (i) Claims against the Corporation not acknowledged as debts Rs. 2080.51 lacs (1969 Rs. 1542.52 lacs) including Rs. 1042.46 lacs (1969: Rs. 711.41 lacs) for which suits have been filed in courts or cases lying with arbitrators. Interest on some of the claims, if any, if unascertainable.

These include inter alia:

- (a) Rs. 740.17 lacs (1969: Rs. 502.75 lacs) being the demand made by the Central Excise on certain products. The Claim is disputed by the Corporation and no provision has been made pending decision by appropriate authorities.
- (b) Rs. 377 lacs (1969: Rs. 217 lacs) being the approximate amount of difference in rate of Crude Oil as paid by the Corporation and as claimed by suppliers.
- (c) Rs. 565.25 lacs (1969: Rs. 565.33 lacs) being the compensation claimed by owners of coal mines through which a Pipeline has been laid on the grounds that mining of coal underneath the Pipeline will not be possible.
- (ii) Against a claim by a contractor on the Corporation, an award has been given by the Umpire for Rs. 48.53 lacs (1969: Rs. 48.53 lacs) plus interest in favour of the Contractor. No liability has been provided for the amount awarded as the Corporation has not accepted the award and has filed a petition in the court to set aside the award.
- (iii) The Corporation has given guarantees and counter guarantees to banks and others in respect of advances made by the banks to Indian Oil Blending Limited for maximum amount of Rs. 37 lacs (1969: Rs. 65 lacs). As at 31st March, 1970 the amount drawn by Indian Oil Blending Limited for which the Corporation could be liable was Rs. 9.93 lacs (1969: Rs. 9.10 lacs).
- (iv) The Corporation has given guarantees to Collector of Customs and Central Excise for Rs. 778.25 lacs (1969: Rs. 100.25 lacs) in connection with execution of Customs Bond and Excise Bond on behalf of other Oil Companies.

- (v) Bills discounted with the Bank Rs. 34.82 lacs (1969: Rs. 38.09 lacs.)

2. Estimated amount of contracts remaining to be executed on capital account not provided for Rs. 3293.12 lacs (1969: Rs. 800.73 lacs.)

3. (a) Freehold land includes Rs. 26.01 lacs being cost of land acquired at Bombay and Madras for which finalisation of conveyance deeds is pending. Title deeds in respect of certain other lands of the Corporation of the approximate value of Rs. 6.95 lacs are not available.

- (b) Certain Depots and Installations have been built on Government and other lands not belonging to the Corporation in respect of which formal agreements are awaited.

- (c) Pending finalisation of compensation, provision has been made for amounts payable to Bihar State Government as intimated by them in respect of land acquired for Barauni Refinery and no provision has been made in respect of Gauhati Refinery.

- (d) Arrangements for participation of State Governments of Assam and Bihar in the equity capital as consideration for land given, and documents of transfer in respect of:

- (i) Land for the three Refineries, and

- (ii) Land and buildings acquired at Hathidah which were sold to another Company during the year, have not been completed so far. Further pending final settlement, amounts recoverable from the Assam Government towards cost of land development and expenses incurred on approach roads have not been taken credit for in the Accounts

- (e) Claims for additional compensation have been filed by the erstwhile land owners in Gujarat which have been adjudicated in their favour for land acquired for the Gujarat Refinery. Against these claims, a deposit of Rs. 24.36 lacs (1969: Rs. 24.22 lacs) was made with the Court. A portion of this land has since been retransferred to the Government of Gujarat in respect of which the refinery has received from the Government a sum of Rs. 5.99 lacs as their share of deposit of Rs. 24.36 lacs deposited by the Corporation



SCHEDULE 'Q'—NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1970 Contd...

- with the Civil Court. The Corporation has filed an appeal, which is pending with the High Court. Suitable adjustments will be made as and when cases are finalised.
- (f) Expenditure on Railway Siding has been booked on the basis of estimates given by the Railway authorities pending receipt of final bills.
- (g) Terms and conditions of the working of the Exchange Yard have not yet been decided by the Railway authorities and pending finalisation payments have been made on provisional basis.
- (h) The Gujarat Refinery, since October 1965 has been paying siding charges at provisional rates as fixed by the Railways. The rates have been recently revised by the Railways effective from October, 1965. The liability for the difference is not ascertainable at this stage since the Railways have so far not presented their final bills. Accordingly, no provision has been made in the Accounts.
- (i) The Central Excise Authorities have made certain demands on account of excise duty on Pipeline operational losses in excess of guideline limits prescribed by them. The demands are contested by the Corporation and pending finalisation of the dispute no liability has been taken into account for any additional Excise Duty which may be payable.
- (j) Renal for Rail-bridges of Haldia-Barauni-Kanpur Pipelines has been provided on an *ad hoc* basis pending finalisation of agreement with the Railway Board.
- (k) The employees of Gauhati Refinery and Gauhati-Siliguri Pipeline had claimed Assam Compensatory Allowance. The claim is disputed by the Corporation and the matter is pending with the Supreme Court. Pending decision, no amount has been provided in the Accounts for any liability that may arise.
- (l) Excise claims recoverable include a sum of Rs. 8.70 lacs which are at the different stages of appeal with the Excise Authorities/ Government of India. Pending decision of the appellate authorities, no provision and/or adjustment has been made in the Accounts.
4. No account has been taken for income tax liability on profit of foreign contractors to be reimbursed to them by the Corporation as the amount of their tax liability is not ascertainable. The Corporation has, however, made an advance of Rs. 5 lacs (1969: Rs. 5 lacs) to the contractors for payment of advance Income Tax.
5. Customs Duty has been paid on an *ad hoc* basis for the Barauni and the Gujarat Refineries. Consequential adjustments, if any, shall be made in the Accounts on final assessment.
6. Representation has been made to the Government of Bihar for exemption of payment of Electricity Duty under Bihar Electricity Duty Act, 1948 for a further period of 5 years with effect from the middle of July 1969 for power consumed for production. Pending disposal of the representation, no provision has been made for the same.
7. The Corporation has claimed a sum of Rs. 31 lacs (1969: Rs. 31 lacs) from Oil and Natural Gas Commission on account on high vapour pressure of crude oil supplied to Gujarat Refinery. This has been disputed by ONGC and the matter referred to Arbitration. As such, no credit thereof has been taken in the Accounts.
8. The credit for Residual Fuel Oil supplied to Gujarat State Electricity Board has been taken in the Accounts at the rate at which payment is being made by the Party. The Corporation, however, is not agreeable to supply at this rate and is claiming payment at a higher rate. The matter at present is under consideration of the Government.
9. The rates of depreciation in respect of some of the assets have been altered with effect from 1st April 1969. Had the rates in force in the previous year been adopted, the charge for depreciation in the Profit & Loss Account would have been less by Rs. 226.44 lacs.
10. Included in Sundry Deposits is an amount of Rs. 52.86 lacs (1969: Rs. 52.86 lacs) paid, which represents the difference between the rates charged or credited in respect of movements of products on Installation Exchange basis by another Oil Company, and the rates which the Corporation claims should have been applied. Negotiations are continuing for the final disposal of these claims.
11. Included in the Sundry Debtors is an amount of Rs. 31.69 lacs (1969: Rs. 30.53 lacs) due from a company for which the Corporation has filed a suit in the High Court, Bombay for recovery. In the opinion of the Board, the amount is fully recoverable and is shown as such in the Accounts. Sundry Debtors include bills not preferred due to delay in obtaining the necessary supporting documents or rate amendments for earlier years.
12. Current Assets include a sum of Rs. 5.38 lacs representing items of materials at site, the particulars and details of which are not available. The matter is under investigation.



SCHEDULE 'Q'—NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1970 Contd...

13. Included among Stores at the Refineries and Pipelines are large quantities of non-moving/slow moving items of materials returned jto stores after completion of the Projects which are awaiting disposal. Realisable value of these items are not ascertainable.
14. During the year 1968-69, certain imported lubricants amounting to Rs. 133.61 lacs were given on exchange to one of the Oil Companies and treated as sales during the course of import. However, with the finalisation of the agreement with the oil company in the year 1969-70, the oil company hs agreed to return these products and therefore these products which were originally taken to sales accounts last year are now adjusted in the Opening Stock.
15. The Profit and Loss Account includes expenses less income relating to previous year amounting to Rs. 207.12 lacs (1969: Rs. 97.38 lacs) and on Public Relations and Publicity Rs. 43.50 lacs.
16. Managerial remuneration paid or payable to Directors: Rs. 2,06,872 (1969: Rs. 1,90,626).
17. Allocation of common expenses between operation and construction has been made as per the basis decided by the Management on which the Auditors have placed reliance.
18. Closing stock includes stocks of tin plates of the value of Rs. 1,34,374 lying with a contractor who contends that no stock is lying with hm.
19. As there is no Assessable income for the year, provision for income tax is not required.
20. Previous year's comparative figures have been regrouped to the extent practicable wherever necessary.

Signatures to Schedules 'A' to 'Q'

N.N. KASHYAP
Chairman

KAMALJIT SINGH
Managing Director

P.K. RAU
Director

D.B. PURI
Secretary





Indianoil Pavilion at Industrial Exhibition, Rajkot.

Report of the Auditors to the Shareholders

We have audied the attached Balance Sheet of Indian Oil Corporation Ltd., as at 31st March, 1970, together with the Profit and Loss Account of the Corporation for the year ended on that date annexed thereto.

The accounts of the Corporation incorporate the audited accounts of the Refineries, Pipelines and Marketing Divisions. In accordance with the directions of the Comptroller and Auditor General of India, the allocation of work amongst the three firms of Auditors was made as follows:—

- | | | |
|-----|-----------------------|--|
| (A) | Lovelock & Lewes | Refineries Division:
Head Office
Haldia Refinery
Pipelines Division:
Head Office
Haldia-Barauni-Kanpur Pipelines
Marketing Division:
Northern and Southern Branches |
| (B) | S.B. Billimoria & Co. | Refineries Division:
Gujarat Refinery
Bombay Office
Pipelines Division:
Koyali-Ahmedabad Pipelines
Marketing Division:
Head Office
Western Branch |
| (C) | Ray & Ray | Refineries Division:
Barauni Refinery
Gauhati Refinery
Calcutta Office
Pipelines Division:
Gauhati-Siliguri Pipelines
Marketing Division:
Eastern Branch |
| (D) | Jointly | Consolidated Accounts of the Corporation. |

We report that

- (1) 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;
- (2) in our opinion, proper books of account as required by law have been kept by the Corporation so far as appears from our examination of the books;



Report of the Auditors to the Shareholders Contd...

- (3) the Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
- (4) in our opinion, and to the best of our information and according to the explanations given to us, the said Accounts, subject to and read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view—
- (a) in the case of the Balance Sheet, of the state of affairs of the Corporation as at 31st March, 1971,
and
- (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date.

LOVELOCK & LEWES
S.B. BILLIMORIA & CO.
RAY & RAY
Chartered Accountants.

Bombay, 1st September, 1970.



SCHEDULE OF FIXED ASSETS (TOWNSHIP)

	Gross Block as at 31st March, 1969 at cost	Additions during the year at cost	Transfers, Deductions & Reclassifications at cost
	Rupees	Rupees	Rupees
LAND—Freehold	22,71,147	—	(-) 1,28,084
Leasehold	6,91,219	—	—
BUILDINGS AND ROADS	6,95,33,008	5,68,704	(+) 11,10,070
PLANT AND MACHINERY	30,02,501	1,982	(+) 19,445
DRAINAGE, SEWAGE AND WATER SUPPLY SYSTEM	92,10,885	15,000	(-) 1,68,186
EQUIPMENT AND APPLIANCES	19,92,747	37,188	(+) 1,82,311
FURNITURE AND FIXTURES	1,67,606	18,014	(+) 17,975
VEHICLES	12,93,775	1,92,358	—
TOTAL	8,81,62,888	8,33,226	(+) 10,33,531
<i>PREVIOUS YEAR</i>	(8,00,77,761)	(45,15,498)	(+) (35,69,629)
CAPITAL WORK-IN-PROGRESS			
<i>PREVIOUS YEAR</i>			
TOTAL			
<i>PREVIOUS YEAR</i>			



SCHEDULE OF FIXED ASSETS (TOWNSHIP) Contd....

Gross Block as at 31st March, 1970 at cost	Depreciation and Amortisation for the year	Total Depreciation and Amortisation upto 31st March, 1970	Net Depreciated Block as at 31st March, 1970	1969
Rupees	Rupees	Rupees	Rupees	Rupees
2,43,063	—	—	21,43,063	22,71,147
6,91,219	6,982	39,564	6,51,655	6,58,637
7,12,11,782	16,95,175	73,51,666	6,38,60,116	6,37,34,187
30,23,908	1,51,195	6,01,737	24,22,171	25,48,672
90,57,699	3,62,349	16,22,153	74,35,546	79,27,112
22,12,246	2,76,566	7,45,395	14,66,851	14,76,709
2,03,595	21,268	48,003	1,55,592	1,43,282
14,86,133	1,55,693	7,24,395	7,61,738	7,25,073
9,00,29,645	26,69,228	1,11,32,913	7,88,96,732	7,94,84,819
(8,81,62,888)	(23,52,242)	(86,78,069)	(7,94,84,819)	
			19,89,233	
			(11,83,284)	
			8,08,85,965	
			(8,06,68,103)	



**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1970
ON PROVISION OF TOWNSHIP, EDUCATION, MEDICAL AND OTHER FACILITIES**

<u>INCOME</u>	Rupees	Rupees	1969 Rupees
1. Recovery of House Rent		8,62,653	10,25,549
2. Recovery of Utilities:			
(i) Power	3,10,872		1,59,077
(ii) Water	1,81,582		1,36,883
		4,92,454	2,95,960
3. Recovery of Transport charges		1,57,153	1,36,940
4. Other Recoveries		1,82,594	1,31,510
5. Excess of Expenditure over Income		1,60,05,966	1,41,19,825
TOTAL		<u>1,77,00,820</u>	<u>1,57,09,784</u>
<u>EXPENDITURE</u>			
1. Salaries, Wages, Bonus, and P.F. Contributions		41,90,544	33,84,106
2. Consumable Stores and Medicines		10,26,772	5,56,042
3. Subsidies for Social and Cultural Activities		69,238	41,672
4. Expenses on Transport*		—	3,48,710
5. Utilities:			
Power	22,70,606		22,26,090
Water	5,51,214	28,21,823	6,28,614
6. Repairs and Maintenance		10,03,823	28,54,704
7. Interest		54,49,361	49,61,513
8. Depreciation		26,69,228	23,52,242
9. Miscellaneous Expenses:			
(i) Taxes and Licence Fees	1,17,642		
(ii) Insurance	665		
(iii) Others	3,51,370	4,70,037	1,47,310
*Transport expenses for the year 1969-70 are grouped under their natural heads			
TOTAL		<u>1,77,00,820</u>	<u>1,57,09,784</u>



ANNEXURE TO THE DIRECTOR'S REPORT DATED 15TH SEPTEMBER, 1970
REVIEW OF THE ACCOUNTS OF INDIAN OIL CORPORATION LIMITED FOR THE YEAR
ENDED 31ST MARCH, 1970 BY THE INDIAN AUDIT AND ACCOUNTS DEPARTMENT

1. FINANCIAL POSITION :

The table below summarises the financial position of the Company under broad headings for the last three years :

	(Rupees in lakhs)		
	1967-68	1968-69	1969-70
Liabilities :			
(a) Paid-up capital	7,117.72	7,117.72	7,117.72
(b) Reserves and Surplus	1,006.91	2,355.05	3,897.24
(c) Borrowings :			
(i) From The Govt. of India	7,300.47	6,349.77	5,373.31
(ii) Foreign Credit	991.26	802.58	672.58
(iii) From Bank Cash Credit	1,425.45	2,176.52	1,478.75
(d) Trade dues and other current liabilities (including provisions)	5,786.60	5,054.69	7,004.67
	<u>23,628.41</u>	<u>23,856.33</u>	<u>25,544.27</u>
Assets :			
(e) Gross Block	13,841.73	16,483.04	17,313.59
(f) Less : Depreciation	1,598.05	2,375.62	3,435.41
(g) Net fixed assets	12,243.68	14,107.42	13,878.18
(h) Capital work-in-progress (including unallocated expenses)	2,500.68	628.52	961.75
(i) Other assets (Mainly machinery & equipment in-transit and stores)	178.53	114.38	124.13
(j) Current assets, loans and advances (excluding investments)	8,610.56	8,970.94	10,469.73
(k) Investments	36.37	35.07	110.48
(l) Miscellaneous expenditure	58.59	—	—
	<u>23,628.41</u>	<u>23,856.33</u>	<u>25,544.27</u>
Capital employed	15,119.88	18,098.73	17,463.86
Net worth	8,066.04	9,472.77	11,014.96

Note : (1) Capital employed represents net fixed assets plus working capital.

(2) Net worth represents paid-up capital plus Reserves and Surplus less intangible assets.

2. CAPITAL STRUCTURE :

(a) Debt equity ratio :

The debt equity ratio for the company has been 1.2:1 in 1967-68, 1:1 in 1968-69 and 0.85:1 in 1969-70.

(b) The amount of loans taken from the Government of India outstanding as on 31st March, 1970 was Rs. 5,373.31 lakhs. In respect of loans amounting to Rs. 3,359.91 lakhs, Rs. 539.67 lakhs and Rs. 1,473.73 lakhs moratorium for one, two and three years for repayment of principal was granted by the Government of India.

3. RESERVES AND SURPLUS :

The reserve and surplus (Rs. 3,897.24 lakhs) amounted to :-

(a) 15.3 percent of total liabilities in 1969-70 as against 9.9 percent in 1968-69 and 4.3 percent in 1967-68.

(b) 54.8 percent of equity capital (Rs. 7,117.72 lakhs) in 1969-70 as against 33.1 percent in 1968-69 and 14.1 percent in 1967-68.

4. LIQUIDITY AND SOLVENCY :

(a) The proportion of current assets (including investments) to total net assets increased from 36.6 percent in 1967-68 to 37.8 percent in 1968-69 and to 41.4 percent in 1969-70.

(b) The percentage of current assets (including investments) to current liabilities (including provisions) varied from 149.4 in 1967-68 to 178.2 in 1968-69 and to 151.0 in 1969-70.

(c) The percentage of quick assets (Sundry debtors, advances, cash and bank balances) to current liabilities (excluding provision) increased from 97.1 in 1967-68 to 112.4 in 1968-69 and decreased to 85.3 in 1969-70.



5. WORKING CAPITAL:

The working capital (current assets, loans and advances) less trade dues and current liabilities (excluding provision for gratuity) of the company at the close of the three years ending 31st March, 1970 amounted to Rs. 2,876.20 lakhs, Rs. 3,991.31 lakhs and Rs. 3,585.68 lakhs respectively and representd 0.8, 0.9 and 0.7 months value of business at cost (excluding depreciation) during these years. The working capital as on 31st March, 1970 was financed through loans from Bank (Rs. 478.75 lakhs) and internal resources (Rs. 2,106.93 lakhs).

6. SOURCES AND USES OF FUNDS :

Funds amounting to Rs. 2,652.70 lakhs from internal sources (reserves, depreciaton, provisions and surplus) and Rs. 95.03 lakhs from other sources were utilised in 1969-70 as under :-

	(Rupees in lakhs)
Gross Block including capital work-in-progress	1,163.78
Others assets	1,583.95

7. WORKING RESULTS :

The working results of the company for the lest three years are tabulated below :-

	(Rupees in lakhs)		
	<u>1967-68</u>	<u>1968-69</u>	<u>1969-70</u>
(i) Profit before tax	1,082.67	1,846.38	2,040.55
(ii) Tax provision	-	-	-

Percentage of profit before tax :

(a) To sales (inclusive of product exchange & transfer)	2.5	3.5	3.2
(b) To gross fixed assets	7.8	11.2	11.8
(c) To capital employed	7.2	10.2	11.7
(d) To net worth	13.4	19.5	18.5
(e) To equity capital	15.2	25.9	28.7

8. COST TRENDS :

The table indicates the percentage of cost of sales during the last three years.

	(Rupees in lakhs)		
	<u>1967-68</u>	<u>1968-69</u>	<u>1969-70</u>
Sales (inclusive of product exchange and transfrers)	43,129.30	52,682.96	63,567.31
Less: profit before tax	1,082.67	1,846.38	2,040.55
Cost of sales	<u>42,046.63</u>	<u>50,836.58</u>	<u>61,526.76</u>
Percentage of cost of sales to sales	97.5	96.5	96.8

9. BUSINESS PERFORMANCE :

The value of business during the last three years is worked out below :

	(Rupees in lakhs)		
1. Sales (inclusive of product exchange and transfers)	43,129.30	52,682.96	63,567.31
2. Closing stock of finished goods and stock in process	2,841.67	3,106.12	3,969.19
3. Opening stock of finished goods and stock in process	2,228.99	2,841.67	3,106.12
4. Value of business (1+2-3)	<u>43,741.98</u>	<u>52,947.41</u>	<u>64,430.38</u>

The percentage of value of business to net workth increased from 542.3 in 1967-68 to 558.9 in 1968-69 and to 584.9 in 1969-70. The percentage of value of business to total net assets also increased from 185.1 in 1967-68 to 221.9 in 1968-69 and to 252.2 in 1969-70.

10. INVENTORY AND PRODUCTION :

The following table indicates the comprative position of the inventory and its distribution at the close of the last three years :-

	(Rupees in lakhs)		
	<u>1967-68</u>	<u>1968-69</u>	<u>1969-70</u>
(i) Stores & spare parts (including in transit)	726.05	858.59	1,102.77
(ii) Loose tools	2.84	2.19	2.08
(iii) Stock-in-trade (including raw materials and stock-in-process)	2,774.88	3,098.24	3,969.19
(iv) Stock of empty barrels and tins	18.19	35.26	36.71
(v) Liquid petroleum gas accessories	66.79	7.88	-
	<u>3,588.75</u>	<u>4,002.16</u>	<u>5,110.75</u>

Stock-in-trade represented 0.8 month's sale (inclusive of product exchange and transfers) in 1967-68 and 0.7 month's sale in 1968-69 and 0.7 month's sale in 1969-70.



11. SUNDRY DEBTORS AND TURNOVER :

the following table indicates the volume of book debts and sales for the last three years :-

As on	Total book debts		Sales (inclusive of product exchange and transfer)	(Rupees in lakhs)	
	Considered good	Considered doubtful		Percentage of debtors to sales	
31st March, 1968		3,596.59	32.55	43,129.30	8.4
31st March, 1969		3,579.08	33.45	52,682.96	6.9
31st March, 1970		3,909.08	61.46	63,567.31	6.2

The Sundry debtors represented about 1 month's turnover in 1967-68, 0.8 month's in 1968-69 and 0.7 month's in 1969-70.

Camp.
New Delhi
September

Sd/-
(H.M.S. Bhatnagar)
Member, Audit Board and Ex-officio Director
of Commercial Audit (Southern & Western Regions)



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIAN UNDER SECTION 619(4)
OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF INDIAN OIL CORPORATION LIMITED
FOR THE YEAR ENDED 31ST MARCH, 1970**

Balance Sheet

Loans and Advances Rs. 11,91,28,810 - Note 10 of Schedule 'Q'

Contents of the para on 'Outstanding' in the Directors Report (Marketing Division) regarding the claims outstanding against another Oil Company have been noted.

Profit and Loss Account

(i) Profit for the year (Rs. 20,40,55,341) includes an amount of Rs. 27,74 lakhs pertaining to the period ending 31st March 1969 representing the surplus of surcharge of the Central Sales Tax allocated to the Company by Government.

(ii) **Depreciation - Rs. 10,95,03,627**

In regard to certain assets for which the lives were re-assessed from 1-4-1968, the rates of depreciation have not been revised suitably so as to write off their written down value as on 1-4-1969 over their unexpired lives.

Bombay,
29th September, 1970

Sd/-
(H.M.S. Bhatnagar)
Member, Audit Board and Ex-officio
Director of Commercial Audit
(Southern & Western Regions)

**ADDENDUM TO DIRECTOR'S REPORT
Dated 15th September, 1970**

The following comments are offered on the remarks of the Comptroller and Auditor General of India in respect of accounts for the year 1969-70.

Loans and Advances Rs. 11,91,28,810 - Note 10 of Schedule 'Q'

No comments.

Profit and Loss Account

(i) No comments.

(ii) The revisions in the rates of depreciation were made with a view to making the rates in the two Divisions uniform. In fact, the rates of depreciation overall were revised upwards with effect from 1.4.68. resulting in a provision for depreciation of about Rs. 56 lakhs for the year 1968-69 more than on the previous basis.

In accordance with Section 205 of the Companies Act, a Company has to provide depreciation according to any of the methods provided thereunder before declaring any dividends, IOC has charged, both in the current year as also in all previous years, depreciation at rates fully in accordance with the law

Bombay,
The 29th September, 1970

For and on behalf of the Board
Sd/-
(N.N. Kashyap)
Chairman



STATEMENT PURSUANT TO SECTION 212(1) (e) OF THE COMPANIES ACT, 1956.

1. At 31st March, 1970 shares in subsidiary companies were registered in the names of the Company and its nominees as indicated:

Indian Oil International Limited	100
Indo-Burma Petroleum Company Limited	5,79,400
2. The net aggregate amounts of the profits or losses of subsidiary companies not dealt with in the Company's accounts so far as they concern members of the Company are:

	For the year ended
	31st March, 1970
Indian Oil International Limited	Nil
Indo-Burma Petroleum Company Limited	Nil
3. The net aggregate amounts of the profits of subsidiary companies as far as these profits are dealt with in the Company's accounts for the year ended 31st March, 1970 are:

Indian Oil International Limited	Nil
Indo-Burma Petroleum Company Limited	Nil

N. N. KASHYAP
Chairman

KAMALJIT SINGH
Managing Director

P. K. RAU
Director

D. B. PURI
Secretary



STATEMENT PURSUANT TO SECTION 212(1) (f) OF THE COMPANIES ACT, 1956.

1. As at the end of the Indo-Burma Petroleum Company Limited's last financial year (31-12-1969), Indian Oil Corporation Limited did not have any interest in that Company. Subsequently, shares, as stated in the statement pursuant to Section 212(1)(e) of the Companies Act, 1956, were acquired in Indo-Burma Petroleum Company Limited, which became the subsidiary of Indian Oil Corporation Limited with effect from 12th January, 1970.
2. There had been no change in the interest of Indian Oil Corporation Limited in their subsidiary, Indian Oil International Ltd. since they acquired 100 shares of Rs. 1,000 each on 13th January, 1970.
3. There was no material change between the end of the financial year of their subsidiary. The Indo-Burma Petroleum Co. Limited, and the end of the financial year of Indian Oil Corporation Limited in respect of:
 - (a) the subsidiary's fixed assets
 - (b) its investment
 - (c) the monies lent by it and
 - (d) the monies borrowed by it for any purpose other than that of meeting current liabilities.
4. There was no material change in the position of fixed assets, investment, monies lent and borrowed by Indian Oil International Limited.
5. The subsidiary, Indian Oil International Limited, has not so far finalised its accounts since its incorporation on 24th October, 1969.

N. N. KASHYAP
Chairman

KAMALJIT SINGH
Managing Director

P. K. RAU
Director

D. B. PURI
Secretary



THE
INDO-BURMA PETROLEUM
COMPANY LIMITED

REPORT OF THE BOARD OF DIRECTORS
AND
STATEMENT OF ACCOUNTS

FOR THE YEAR ENDED 31st DECEMBER, 1969

The Indo-Burma Petroleum Company Limited

DIRECTORS

KAMALJIT SINGH (*Chairman*)
SHASHI BHUSHAN BUDHIRAJA
VENKATARAMANY BALAKRISHNAN

BANKERS

NATIONAL AND GRINDLAYS BANK LIMITED

SOLICITORS

ORR DIGNAM AND COMPANY

AUDITORS

LOVELOCK AND LEWES

SECRETARY

TAPON GHOSH

REGISTERED OFFICE

GILLANDER HOUSE
NETAJI SUBHAS ROAD, CALCUTTA-I



Directors' Report

Index

Together with Statement of Accounts to be submitted to the Sixty-second Annual General Meeting of Members

The Directors have pleasure in submitting the Sixty-second Annual Report together with the audited Balance Sheet as at 31st December, 1969, and Profit and Loss Account for the year ended on that date.

ACCOUNTS:

	Rupees	Rupees
The profit for the year is..		42,03,204
Less Provision for De preciation	8,29,905	
Provision for Taxa tion	18,25,000	
Transferred to De- velopment Rebate Reserve (Net)	1,08,316	27,63,221
		<u>14,39,983</u>
Add Balance brought forward from 1968		87,095
Transferred from Unclaimed Dividends forfeited		35,298
		<u>15,62,376</u>
Dividends paid and proposed:		
	Rupees	
Preference	2,81,662	
Ordinary-Interim	5,00,000	
-Final	7,50,000	15,31,662
Leaving a credit balance to be carried forward to 1970		<u>30,714</u>

The Directors recommend a Final Dividend of Re. 0.75 per Ordinary Share subject to tax being deducted therefrom in accordance with the provisions of the Income Tax Act, which will absorb Rs. 7,50,000 and that the sum of Rs. 30,714 be carried forward to 1970. Though the dividend is

2½% lower than that of previous year, it needs to be mentioned that, unlike previous year, the dividend is being paid out of the year's normal earnings without drawing upon Reserves/Un-claimed Liabilities.

GENERAL:

The increasing trend in your Company's volume of sales in India has been maintained but, regrettably, profit margins have been still further eroded particularly in the Calcutta Branch Area where supplies were not adequate to the needs of our organization.

It is regretted that no progress has been possible in the prosecution of our claim upon the Custodian of Enemy Properties, India nor with the repatriation of our residual funds lying in Burma.

Our newly organized Electronics Manufacturing Division has more than doubled its sales during the year and we now look forward to contributions from this Division to our Profitability.

Our loans to Indo-American Electricals Limited were fully repaid before the end of the year but financing and equipment problems have prevented real progress in both Shama companies in which your Company has invested.

Dividend income from Industrial Credit and Investment Corporation of India Limited was maintained but Balmer Lawrie and Company Limited, in which your Company has a 30% equity investment, reduced its dividend for 1968 to only 8%. With the progressive restoration of normal conditions in Bengal, the Company can look forward to a better return on its investment in Balmer Lawrie and Company Limited. It is regretted that the minimal dividend declared by Assam Sillimanite Limited on 18th June, 1968, has not yet been received.



On 12th January, 1970, your Company became a subsidiary of the Indian Oil Corporation Limited on which date Steel Brothers and Company Limited ceased their connexion with the Company as Managing Agents and major shareholders. We would wish to place on record the Board's appreciation of their valuable services to the Company since its inception in 1909.

This association with the Indian Oil Corporation Limited should be of great advantage to your Company. With better supplies of products we hope to improve upon the Company's past performances.

DIRECTORS:

Mr. Shashi Bhushan Budhiraja was appointed an Additional Director under Article 98 on 2nd January, 1970, 'and, therefore, only holds office upto the date of this Meeting. A notice has been received from a member under Section 257(l) of the Companies Act, 1956 signifying his intention to propose Mr. Shashi Bhushan Budhiraja for appointment as a Director. Mr. Shashi Bhushan Budhiraja has filed with the Company his consent in writing to act as a Director, if appointed, pursuant to the provisions of Section 264(l) of the Companies Act, 1956.

Mr. Venkataramany Balakrishnan was appointed an Additional Director under Article 98 on 2nd January, 1970, and, therefore, only holds office upto the date of this Meeting. A notice has been received from a member under Section 257(l) of

of the Companies Act, 1956 signifying his intention to propose Mr. Venkataramany Balakrishnan for appointment as a Director. Mr. Venkataramany Balakrishnan has filed with the Company his consent in writing to act as a Director, if appointed, pursuant to the provisions of Section 264(l) of the Companies Act, 1956.

Mr. Nigel Whitehead resigned from the Board on 12th January, 1970.

Mr. Kamaljit Singh was appointed an Additional Director under Article 98 on 12th January, 1970, and, therefore, only holds office upto the date of this Meeting. A notice has been received from a member under Section 257(l) of the Companies Act, 1956 signifying his intention to propose Mr. Kamaljit Singh for appointment as a Director. Mr. Kamaljit Singh has filed with the Company his consent in writing to act as a Director, if appointed, pursuant to the provisions of Section 264(l) of the Companies Act, 1956.

Mr. Prasad Sen Gupta resigned from the Board on 12th January, 1970.

Mr. David Fyers North Symonds resigned from the Board on 12th January, 1970.

APPRECIATION:

We wish to record our appreciation of the Company's employees, dealers, and shareholders for their contributions and support throughout the year.

KAMALJIT SINGH
V. BALAKRISHNAN
S. B. BUDHIRAJA

Directors

Calcutta,
21st April, 1970



Auditors' Report

to the Members of

THE INDO-BURMA PETROLEUM COMPANY LIMITED

We have examined the Balance Sheet of the Indo-Burma Petroleum Company Limited as at 31st December, 1969, and the annexed Profit and Loss Account for the year ended on that date which are in agreement with the books of account and returns.

Subject to Note 2 on the Balance Sheet regarding assets and liabilities in East Pakistan-

1. 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.
2. In our opinion, proper books of account have been kept by the Company as required by law so far as appears from our examination of those books, and proper returns adequate for the purposes of our audit have been received from the branches at Bombay, New Delhi and Rangoon which have not been visited by us. The accounts of these branches have been audited by other auditors and their reports have been considered by us in the preparation of this report.
3. In our opinion and to the best of our information and according to the explanations given to us, the accounts together with the Notes thereon give the information required by the Companies Act, 1956, in the manner so required, and the Balance Sheet gives a true and fair view of the state of the Company's affairs as at 31st December 1969, and the Profit and Loss Account gives a true and fair view of the Profit for the year ended on that date.

Calcutta,
29th April, 1970.

LOVELOCK & LEWES,
Chartered Accountants



BALANCE SHEET AS AT 31ST DECEMBER, 1969

LIABILITIES	Rupees	1968 Rupees
I. Share Capital:-		
Authorised-		
Ordinary - 25,00,000 Shares of Rs. 10 each	2,50,00,000	2,50,00,000
Preference - 50,000 7% Taxable Cumulative Shares of Rs. 100 each	50,00,000	50,00,000
	<hr/>	<hr/>
Issued, Subscribed and Fully Called and Paid Up		
Ordinary - 10,00,000 Shares of Rs. 10 each	1,00,00,000	1,00,00,000
Note- of the above Shares:		
69,844 have been allotted as fully paid up pursuant to a contract without payment being received in cash.		
93,570 have been allotted as fully paid up by way of Bonus Shares. Owing to destruction of Company records during the Second World War it has been impossible to give the particulars required by Schedule VI of the Companies Act, 1956.		
5,98,820 have been issued as fully paid up in cash.		
<hr/> 7,62,234		
2,37,766 have been issued but owing to destruction of Company records during the Second World War it has been impossible to give the particulars required by Schedule VI of the Companies Act, 1956.		
<hr/> 10,00,000 (Of this 5,79,400 Shares are held by Steel Brothers & Co. Ltd. and their Nominees subsequently held by Indian Oil Corporation Ltd. and their Nominees since 12-1-1970).		
Preference - 50,000 Shares of Rs. 100 each all paid in cash	50,00,000	50,00,000
	<hr/> 1 50,00,000	<hr/> 1,50,00,000
II. Reserves and Surplus:-		
As per Schedule No. 1 annexed	1,72,82,566	1,72,30,631
III. Unsecured Loans:-		
As per Schedule No.2 annexed	12,99,250	15,15,980
IV. Current Liabilities and Provisions:-		
As per Schedule No.2 annexed	1,63,78,670	1,68,15,670
	<hr/>	<hr/>
Carried forward	4,99,60,486	5,05,62,281

BALANCE SHEET AS AT 31ST DECEMBER, 1969 Contd...

	ASSETS				1968			
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
I. Fixed Assets-								
As per Schedule No.3 annexed				87,81,975				79,66,401
II. Investments-								
As per Schedule No.4 annexed				1,00,40,346				1,00,40,346
III. Current Assets, Loans & Advances-								
(A) Current Assets								
Interest accrued on Investments			10,800				8,000	
Stores and Spare Parts (at or under cost)			6,53,257				12,26,669	
Stocks in Trade-								
Petroleum Products etc. at cost	10,79,454				12,13,352			
Add-Chargesthereon	<u>21,669</u>	11,01,123			<u>23,538</u>	12,36,890		
Electronics Manufacturing Division-								
Stocks at cost-								
Raw Materials	2,41,416				2,21,270			
Jobs-in-Progress	2,49,243				1,67,664			
Finished Goods	<u>34,861</u>	5,25,520	16,26,643		<u>83,584</u>	<u>4,72,518</u>	17,09,408	
Sundry Debtors-								
Outstandmg above 6 months-								
Considered Good-								
Secured	1,83,381				18,352			
Unsecured	<u>2,68,281</u>	4,51,662			<u>2,59,222</u>	2,77,574		
Considered Doubtful	3,27,018				3,17,987			
Less: Provision	<u>3,27,018</u>	—	4,51,662		<u>3,17,831</u>	<u>156</u>	2,77,730	
Other Debt-								
Considered Good-								
Secured	7,34,246				11,43,091			
Unsecured	<u>35,19,046</u>	42,53,292			<u>27,85,355</u>	39,28,446		
Considered Doubtful	49,139				16,279			
Less: Provision ..	<u>49,139</u>	—	42,53,292	47,04,954	<u>16,279</u>	—	39,28,446	
Carried forward			69,95,654	1,88,22,321			71,50,253	1,80,06,747



BALANCE SHEET AS AT 31ST DECEMBER, 1969 Contd...

LIABILITIES-Contd.		Rupees	1968 Rupees
Brought forward	...	4,99,60,486	5,05,62,281
V. Contingent Liabilities not provided for:-			
<p>1. Counter guarantees have been executed in favour of Industrial Finance Corporation of India along with others to the extent of Rs. 52,55,753 plus interest and charges in connection with the rupee loan of Rs.9,03,100 and the sub-loan of Rs. 43,52,653 being the post-devaluation rupee equivalent of the sub-loan of Deutsche Marks 2,321,415 granted by the Corporation to Shama Pistons and Rings Ltd. and guaranteed by the United Commercial Bank Ltd.</p> <p>2. The Company may be contingently liable to the extent of Rs. 10,50,000 in respect of various pending law suits which are being contested by the Company and the liabilities therefore are not admitted 'by the Company.</p>			
Notes:			
1968 Rupees		1969 Rupees	
108,601	1. Estimated amount of contracts remaining to be executed on Capital Account and not provided for	97,205	
	2. The Company's undertaking in East Pakistan remained in the control of the East Pakistan Enemy Property Board. No information could be obtained in respect of Assets and Liabilities in East Pakistan as at 31st December, 1969 and consequently the net Assets as per last Accounts have been shown in this Balance Sheet as per Schedule No.5 annexed.		
	3. The Comparative figures for the previous year have been rearranged to conform with the figures of this year.		
	4. Since the date of Balance Sheet Steel Brothers & Co., Ltd. ceased to be Managing Agents of the Company with effect from 12th January, 1970		
		<u>4,99,60,486</u>	<u>5,05,62,281</u>

This is the Balance Sheet referred to in our report of even date.

Calcutta,
29th April, 1970

LOVELOCK & LEWES
Chartered Accountants.



Balance Sheet Schedule No.1

		RESERVES AND SURPLUS		1968	
		Rupees	Rupees	Rupees	Rupees
CAPITAL RESERVE:-					
	Balance from previous year	55,70,237		65,70,236	
	Less-Transfer to Investment Depreciation Reserve	—	55,70,237	9,99,999	55,70,237
SHARE PREMIUM ACCOUNT:-					
	Balance from previous year		31,38,200		31,38,200
REVENUE RESERVES:-General Reserve:-					
	Balance from previous year		55,94,153		55,94,153
DEVALUATION EXCHANGE DIFFERENCE RESERVE:-					
	Balance from previous year	10,27,282		10,31,925	
	Less-Transfer to Profit and Loss Account	—	10,27,282	4,643	10,27,282
DEVELOPMENT REBATE RESERVE:-					
	Balance from previous year	6,89,783		8,47,192	
	Less-Transfer to Profit and Loss Account	15,346		2,25,828	
		6,74,437		6,21,364	
	Add-Transfer from Profit and Loss Account	1,23,662	7,98,099	68,419	6,89,783
RESERVE FOR CONTINGENCIES:-					
	Balance from previous year		1,23,882		1,23,882
INVESTMENT DEPRECIATION RESERVE:-					
	Balance from previous year	9,99,999		—	
	Add-Transfer from Capital Reserve	—	9,99,999	9,99,999	9,99,999
PROFIT AND LOSS ACCOUNT					
			30,714		87,095
			1,72,82,566		1,72,30,631

T. GHOSH
Secretary

KAMALJIT SINGH
V. BALAKRISHNAN
S. B. BUDHIRAJA

Directors.



Balance Sheet Schedule No.2

UNSECURED LOANS, CURRENT LIABILITIES AND PROVISIONS

1968

	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
UNSECURED LOANS:-						
Deposits from Distributors			<u>12,99,250</u>			<u>15,15,980</u>
CURRENT LIABILITIES AND PROVISIONS:-						
Current Liabilities:						
Sundry Creditors	1,39,85,195			1,36,20,528		
Amount due to Steel Brothers & Co. Ltd	<u>20,251</u>	1,40,05,446		<u>2,82,922</u>	1,39,03,450	
Unclaimed Dividends	5,20,611			3,23,498		
Preference Dividend:						
Declared on 27th October, 1969 and payable on 2nd January, 1970	<u>1,40,831</u>	<u>6,61,442</u>	1,46,66,888	<u>1,40,831</u>	<u>4,64,329</u>	1,43,67,779
Provisions:						
Provision for Taxation	93,46,413			75,21,413		
Less: Payments thereagainst	97,63,934	(-),4,17,521		72,96,818	2,24,595	
Proposed Dividend:						
Ordinary Final		7,50,000			10,00,000	
Provision for Terminal Gratuities		<u>13,79,303</u>	17,11,782		<u>12,23,296</u>	<u>24,47,891</u>
			<u>1,63,78,670</u>			<u>1,68,15,670</u>

T. GHOSH
Secretary

KAMALJIT SINGH
V. BALAKRISHNAN
S. B. BUDHIRAJA

Directors.



Balance Sheet Schedule No.3

FIXED ASSETS

	Expenditure to 31-12-68	Additions during 1969	Deduct Original Value of Disposals during 1969 including adjustments	Expenditure to 31-12-69
	Rupees	Rupees	Rupees	Rupees
LAND	4,63,339	-	-	4,63,339
	4,63,339	-	-	4,63,339
*BUILDINGS	28,63,513	1,56,293	18,853	30,00,953
	27,02,463	2,03,826	42,776	28,63,513
*ROADS ETC	29,95,538	75,336	24,580	30,46,294
	29,49,995	86,749	41,206	29,95,538
*PLANT	82,38,890	11,29,693	2,72,380	90,96,203
	80,36,589	3,87,193	1,84,892	82,38,890
MOTOR VEHICLES	11,47,940	3,44,571	2,31,458	12,61,053
	11,23,321	2,53,907	2,29,288	11,47,940
FURNITURE/CHATELS	8,94,675	92,603	19,979	9,67,299
	8,20,368	1,02,356	28,049	8,94,675
	1,66,03,895	17,98,496	5,67,250	1,78,35,141
	1,60,96,075	10,34,031	5,26,211	1,66,03,895

Notes:- (1) *Capital Expenditure in Progress as at 31st December, 1969, Rs. 3,71,842 (*Previous year Rs. 80,151*).

(2) The comparative figures for the previous year have been shown in italics.

(3) Year end expenditure in respect of Plant, Motor Vehicles, Furniture/Chattels shown above includes Rs. 5,85,555 account Electronics Manufacturing Division (Plant Rs.4,42,461, Motor Vehicles Rs. 31,150 and Furniture/Chattels Rs. 1,11,944).



Balance Sheet Schedule No.3 Contd...

FIXED ASSETS

DEPRECIATION				Net Book Value as at 31-12-69
Written off to 31-12-68 (Estimated)	Provided in 1969	Deduct Depreciation on Disposals and on adjustments in 1969	Depreciation to 31-12-69	
Rupees	Rupees	Rupees	Rupees	Rupees
-	-			4,63,339
				4,63,339
12,46,072	62,698	11,276	12,97,494	17,03,459
12,07,239	59,562	20,729	12,46,072	16,17,441
12,83,899	1,07,102	13,751	13,77,250	16,69,044
11,88,300	1,09,852	14,253	12,83,899	17,11,639
49,86,352	4,50,111	1,90,941	52,45,522	38,50,681
47,20,423	3,80,401	1,14,472	49,86,352	32,52,538
6,26,653	1,53,667	1,80,816	5,99,504	6,61,549
7,05,657	1,21,087	2,00,091	6,26,653	5,21,287
4,94,518	56,327	17,449	5,33,396	4,33,903
4,63,010	51,983	20,475	4,94,518	4,00,157
86,37,494	8,29,905	4,14,233	90,53,166	87,81,975
82,84,629	7,22,885	3,70,020	86,37,494	79,66,401

T. GHOSH
Secretary

KAMALJIT SINGH
V. BALAKRISHNAN
S. B. BUDHIRAJA

Directors.



Balance Sheet Schedule No.4

INVESTMENTS

	BOOK VALUE			1968		
	Quoted Rupees	Unquoted Rupees	Total Rupees	Quoted Rupees	Unquoted Rupees	Total Rupees
GOVERNMENT SECURITIES-						
At Cost						
12 Years National Savings Certificates	—	22,500	22,500	—	22,500	22,500
OTHER INVESTMENT						
Balmer Lawne & Co. Ltd.						
Fully Paid Ordinary Shares of Rs. 100 each As revalued by the Directors on 31-12-1960.						
22,660 Shares		Rs. 49,17,220				Rs. 49,17,220
At Cost						
6,528 Shares		Rs. 7,33,533				Rs. 7,33,533
Bonus Issue						
14,153 Shares		—	56,50,753		—	56,50,753
43,341						
Industrial Credit & Investment Corporation of India Ltd.						
Fully Paid Ordinary Shares of Rs. 100 each						
As revalued by the Directors on 31-12-60						
3,814 Shares		Rs. 2,70,794				Rs. 2,70,794
At Cost						
6,182 Shares		Rs. 5,96,299	8,67,093			Rs. 5,96,299 8,67,093
9,996 Shares						
At Cost						
Assam Sillimanite Ltd.						
(Mg. Agents : The United Provinces Commercial Corporation Private Ltd.)						
1,00,000 Fully Paid Ordinary Shares of Rs. 10 each			10,00,000			10,00,000



Balance Sheet Schedule No.4 Contd...

	BOOK VALUE			1968		
	Quoted Rupees	Unquoted Rupees	Total Rupees	Quoted Rupees	Unquoted Rupees	Total Rupees
OTHER INVESTMENTS-(Contd.)						
At Cost						
*Shama Forge Co. Ltd.						
(Mg. Agents: B.K. Khanna & Co. Private Ltd.)						
1,00,000 Fully Paid Ordinary Shares of Rs. 10 each						
	Rs. 10,00,000			Rs. 10,00,000		
5,000 9.5% Fully Paid Cumulative Redeemable Preference Shares of Rs. 100 each						
	Rs. 5,00,000	15,00,000		Rs. 5,00,000	15,00,000	
At Cost						
*Shama Pistons & Rings Ltd.						
80,000 Fully Paid Ordinary Shares of Rs. 10 each						
	Rs. 8,00,000			Rs. 8,00,000		
2,000, 9.5% Fully Paid Cumulative Redeemable Preference Shares of Rs. 100 each						
	Rs. 2,00,000	10,00,000		Rs. 2,00,000	10,00,000	
* [The Company has given undertakings to the Industrial Finance Corporation of India that the shares in these Companies will not be disposed of, pledged or in any way encumbered without the prior approval of the Corporation.]						
	<u>1,00,17,846</u>	<u>—</u>	<u>1,00,17,846</u>	<u>1,00,17,846</u>	<u>—</u>	<u>1,00,17,846</u>
Total Book Value of Investments	<u>1,00,17,846</u>	<u>22,500</u>	<u>1,00,40,346</u>	<u>1,00,17,846</u>	<u>22,500</u>	<u>1,00,40,346</u>
Market Value of Quoted Investments	<u>68,85,252</u>			<u>75,30,506</u>		

T. GHOSH
Secretary

KAMALJIT SINGH
V. BALAKRISHNAN
S. B. BUDHIRAJA

Directors.



Balance Sheet Schedule No.5

ASSETS, LIABILITIES ETC. AT CHITTAGONG BRANCH, EAST PAKISTAN

Conversion at Pak. Rs. 100 = Indian Rs. 100						
	Rupees	Rupees	Rupees	1968 Rupees	Rupees	Rupees
ASSETS						
FIXED ASSETS:						
As per Schedule No.6 annexed			3,43,198			3,43,198
CURRENT ASSETS:						
Stores and Spare Parts at cost		51,547			51,547	
Stock in Trade						
Petroleum Products-at cost	15,798			15,798		
Direct Charges	2,409	18,207		2,409	18,207	
SUNDRY DEBTORS:						
Outstanding for 6 months or less:						
Considered Good and Secured	5,866			5,866		
Considered Good and Unsecured	83,460			83,460		
Outstanding above 6 months:						
Considered Good and Secured	288			288		
Considered Good and Unsecured	8,400			8,400		
Considered Doubtful	—	98,014		—	98,014	
Note-Debts due by a Company under the same Management: The Attock Oil Company Ltd. Rs. 1261						
CASH AND BALANCES WITH BANKS:						
Cash in Hand	1,204			1,204		
With Bank on:						
Current Account	94,862			94,862		
Deposit Account	4,70,000			4,70,000		
Blocked Deposit Account	31,89,333			31,89,333		
Interest accrued on Deposits Account (including Rs. 78,162 on Blocked Deposit Account)						
	79,305	38,34,704		79,305	38,34,704	
LOANS AND ADVANCES:						
Considered Good and Unsecured						
Advances and Deposits (Recoverable in Cash or in Kind or for Value to be received)						
	4,43,099			4,43,099		
Deposits with Port Trusts	278	4,43,377	44,45,849	278	4,43,377	44,45,849
			47,89,047			47,89,047



Balance Sheet Schedule No.5 Contd...

Conversion at Pak. Rs. 100 = Indian Rs. 100						
	Rupees	Rupees	Rupees	Rupees	1968 Rupees	Rupees
LIABILITIES						
UNSECURED LOANS:						
Deposits from Distributors	49,780			49,780		
Current Account with Steel Brothers and Company Ltd	6,492	56,272		6,492	56,272	
CURRENT LIABILITIES AND PROVISIONS:						
Current Liabilities						
Due to Employees	223			223		
Sundry Creditors	4,45,167	4,45,390		4,45,167	4,45,390	
Provision for						
Taxation	1,35,127			1,35,127		
Penalty Duty	3,467			3,467		
Terminal Gratuities	54,652	1,93,246	6,94,908	54,652	1,93,246	6,94,908
Excess of Assets over Liabilities			40,94,139			40,94,139
Less Profit for 1966			25,613			25,613
Contingent Liability:						
There was a contingent liability at 31st December, 1966, in respect of cheques discounted with a Bank amounting to Rs. 84,708.						
			<u>40,68,526</u>		<u>40,68,526</u>	

T. GHOSH
Secretary

KAMALJIT SINGH
V. BALAKRISHNAN
S. B. BUDHIRAJA

Directors.



Balance Sheet Schedule No.6

	Expenditure to 31-12-66
	Rupees
LAND	17,179
BUILDINGS	70,872
ROADS ETC	1,99,980
PLANT	2,58,427
MOTOR VEHICLES	1,09,928
FURNITURE/CHATELS	27,329
	6,83,715

Balance Sheet Schedule No.6 Contd...

Depreciation written off to 31-12-66	Net Book Value as at 31-12-66
Rupees	Rupees
-	17,179
22,364	48,508
80,497	1,19,483
1,47,218	1,11,209
67,342	42,586
23,096	4,233
3,40,517	3,43,198

T. GHOSH
Secretary

KAMALJIT SINGH
V. BALAKRISHNAN
S. B. BUDHIRAJA

Directors.

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
31ST. DECEMBER, 1969**

Index

EXPENDITURE	Rupees	Rupees	1968 Rupees
Stocks of Products as at 1st January, 1969		16,85,870	20,01,223
Cost of Products Purchased		10,43,99,519	7,86,25,340
		<u>10,60,85,389</u>	<u>8,06,26,563</u>
Less: Stocks of Products as at 31st December, 1969		16,04,974	16,85,870
Cost of Products applicable to Sales on Own Account		10,44,80,415	7,89,40,693
Amount payable in respect of Sales of Products on Consignment Account [after retaining remuneration/commission amounting to Rs. 11,62,869 (1968-Rs. 13,89,224)]		4,55,13,067	4,86,58,255
Freight		37,66,487	38,60,551
Storage & Distribution Charges etc. Nett (including cost of manufacturing/filling tins in Own Factory as per Schedule annexed and also income from Hire of Facilities at the Installations Rs. 3,04,425)		16,32,293	11,49,613
Distributors/Dealers Sundry Allowances		2,73,162	2,79,180
Stores and Spare Parts Consumed		3,33,616	3,67,505
Power and Fuel		2,37,943	1,84,673
Rent ...		4,24,908	4,53,191
Rates and Taxes (including Sales Tax)		55,87,951	46,36,712
Building Repairs		4,94,519	3,67,414
Machinery Repairs		1,47,543	1,53,166
Salaries, Wages and Bonus		42,20,339	40,89,698
Contribution to Provident Fund and Superannuation Funds		2,75,684	2,80,037
Workmen and Staff Welfare		2,25,196	2,03,157
Insurance		1,07,443	1,02,983
*Managing Agents' Remuneration		—	3,00,107
Directors' Fees		10,200	11,100
Miscellaneous Expenses (as per Schedule annexed)		11,86,476	11,12,453
Depreciation		8,29,905	7,22,885
Bad Debts written off		36,232	1,47,041
Provision for Doubtful Debts		94,558	1,49,303
Provision for Terminal Gratuities		2,06,600	1,65,768
Loss on Disposal of Assets		—	42,914
Development Rebate Reserve		1,23,662	68,419
Balance carried down		<u>32,49,637</u>	<u>30,54,130</u>
		<u>17,34,57,836</u>	<u>14,95,00,948</u>
Provision for Taxation-			
A/c. income Tax for Current Year		18,25,000	20,09,604
Dividend (subject to deduction of Tax at source)			
Preference Share-			
To 30th June 1969 paid	1,40,831		1,40,831
To 31st December, 1969 declared on 27th October, 1969 and payable on 2nd January, 1970	<u>1,40,831</u>	2,81,662	1,40,831
Ordinary Shares-			
Interim Dividend paid	5,00,000		5,00,000
Final Dividend proposed	<u>7,50,000</u>	12,50,000	10,00,000
Balance Carried to Balance Sheet		<u>30,714</u>	<u>87,095</u>
		<u>33,87,376</u>	<u>38,78,361</u>

Notes :	1969 Rupees	1968 Rupees
1. Expenses reimbursed to the Managing Agents under Section 354	4,26,231	6,10,657
2. Payment to the Managing Agents under Section 360	—	1,35,000
3. Commission received by the Managing Agents as Buying and Selling Agents of other concerns under Section 359	18,622	12,251
4. Auditors Remuneration-(Included in Miscellaneous Expenses)		
(a) Company's Auditors Fees	14,000	14,000
In other capacities	3,825	8,165
(b) Branch Auditors' Fees	10,044	10,202
In other capacities	450	150
5. The above figures charged to expenditure include transactions relating to Electronics Manufacturing Division as per schedule annexed.		
*6. Subsequent to 31-12-1969. Messrs. Steel Brothers & Co. Ltd., have disposed of their shareholding in the Company in terms of a Sale Agreement dated 2-1-1970 according to which they shall not receive any remuneration for the year ended 31-12-1969.		
7. The comparative figures for the previous year have been rearranged to conform with the figures of this year.		



**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
31ST. DECEMBER, 1969 Contd...**

INCOME	Rupees	Rupees	1968 Rupees
Proceeds from Sales of Products on Own Account		11,23,84,120	8,54,34,391
Proceeds from Sales of Products on Consignment Account		5,64,11,080	6,10,38,934
Proceeds from Sales of Products relating to Electronics Manufacturing Division		29,90,031	11,09,746
Rental and Hire on Facilities		79,077	74,350
Income from Investments-Gross:			
Others	4,36,692		4,36,692
Government Securities	<u>1,800</u>	4,38,492	575
[Tax deducted at source-Rs. 96,072 (1968Rs. 96,072)]			
Interest on Bank Deposits and Sundry Deposits-Gross		5,04,403	6,39,665
[Tax deducted at source-Rs. 94,121 (1968 Rs. 1,40,447)]			
Other Interest-Gross		300	12,036
[Tax deducted at source-Rs.33 (1968 Rs.2,400)]			
Interest on Loan-Gross ..		1,39,851	1,58,336
[Tax deducted at source-Rs.9,992 (1968 Rs. 16,000)]			
Guarantee Commission on Loans-		33,746	44,664
Adjustment Account Previous Years-Net (Including payment of Forfeited Dividends Rs. 726 and Bonus Rs. 493)		1,24,264	4,41,633
Provision for Doubtful Debts written back		52,511	-
Miscellaneous		2,79,342	1,09,926
Profit on Disposal of Assets		20,619	-
		<u>17,34,57,836</u>	<u>14,95,00,948</u>
Balance brought down		32,49,637	30,54,130
Balance brought forward from previous year		87,095	1,58,468
Development Rebate Reserve no longer required,(written back in respect of disposals)		15,346	2,25,828
Devaluation Exchange Difference Reserve no longer required, written back		-	4,643
Unclaimed Dividends forfeited		35,298	4,11,972
Provision for Taxation no longer required, written back		-	23,320
		<u>33,87,376</u>	<u>38,78,361</u>

T. GHOSH
Secretary

KAMAUIT SINGH
V. BALAKRISHNAN
S. B. BUDHIRAI AJ

Directors.

This is the Profit and Loss Account referred to in our report of even date.

Calcutta,
29th April, 1970.

LOVELOCK & LEWES
Chartered Accountants.



Schedules to Profit & Loss Account

MANUFACTURING/FILLING TINS IN OWN FACTORY			1968	
	Rupees	Rupees	Rupees	Rupees
Stores and Spare Parts consumed-				
Opening Stock	8,900		1,364	
Consumption	1,54,014		5,48,777	
	<u>1,62,914</u>		<u>5,50,141</u>	
Less: Closing Stock	996	1,61,918	8,900	5,41,241
Power and Fuel		9		151
Salaries, Wages and Bonus		14,652		45,992
Contractors' Charges		27,784		84,325
Insurance		458		6,092
Rent		109		2770
Rates and Taxes		32		805
		<u>2,04,962</u>		<u>6,81,376</u>
MISCELLANEOUS EXPENDITURE				
U. K. Drilling Expenses		269		6,786
Travelling Expenses		4,87,781		4,81,249
Stationery, Gazette and Periodicals		91,533		81,560
Donations and Subscriptions		20,636		21,756
Postage, Telegrams and Telephones		1,48,740		1,29,667
Advertisement Expenses		43,086		20,103
Bank Charges		1,44,340		1,26,641
Audit and Legal Expenses		48,055		94,165
Interest Allowed to Dealers/Distributors Deposits		37,815		38,112
Sundries		1,64,221		1,12,414
		<u>11,86,476</u>		<u>11,12,453</u>

T. GHOSH
Secretary

KAMAUIT SINGH
V. BALAKRISHNAN
S. B. BUDHIRAJA } Directors.



Scheduled to Profit & Loss Account Contd...

EXPENDITURE RELATING TO ELECTRONICS MANUFACTURING DIVISION FOR THE YEAR ENDED 31ST DECEMBER 1969.				
	Rupees	Rupees	1968 Rupees	Rupees
Stock and Work-in-Progress as at 1st January 1969 at Cost:				
Raw Materials	2,21,270		2,70,556	
Work-in-Progress	1,67,664		1,19,027	
Finished Goods	<u>83,584</u>	4,72,518	<u>56,179</u>	4,45,762
Purchases		<u>19,53,073</u>		<u>5,37,109</u>
		24,25,591		9,82,871
Less: Stock and Work-in-Progress as at 31st December 1969 at Cost				
Raw Materials	2,41,416		2,21,270	
Work-in-Progress	2,49,243		1,67,664	
Finished Goods	<u>34,861</u>	5,25,520	<u>83,584</u>	4,72,518
		19,00,071		5,10,353
Salaries, Wages and Bonus		6,29,978		3,56,522
Contribution to Provident Fund/Superannuation Funds		27,164		19,757
Work men and Staff Welfare		19,061		8,906
Distributors/Dealers Sundry Allowances		5,092		5,054
Contractors' Charges		7,301		3,007
Power and Fuel		4,087		5,334
Rent		14,461		12,032
Rates and Taxes (including Sales Tax)		63,956		36,513
Building Repairs		3,943		1,527
Machinery Repairs		2,186		4,435
Insurance		5,258		1,918
Travelling Expenses		89,500		45,106
Stationery, Gazette and Periodicals		24,878		7,211
Donations and Subscriptions		451		460
Postage, Telegrams and Telephones		19,949		8,605
Advertisement Expenses		29,613		7,320
Entertainment Expenses		3,391		492
Bank Charges		335		25
Audit and Legal Expenses		-		281
Sundries		57,818		27,068
Depreciation		58,944		31,993
		<u>29,67,437</u>		<u>10,93,919</u>

T. GHOSH
Secretary

KAMALJIT SINGH
V. BALAKRISHNAN
S. B. BUDHIRAJA

Directors.

