

# EXTRACT FROM ANNUAL REPORT 1982-83

## CONTENTS

	Page
Corporate Objectives	6
Directors' Report	8
A Ten-year Profile	26
How Funds Generated & Utilised	27
Statement of Added Value	28
Report of the Auditors	29
Statement of Accounting Policies	32
Balance Sheet	34
Profit and Loss Account	36
Schedule A to O	38
Notes on the Accounts	51
Schedules Q to X	52
Statement relating to Subsidiary Companies	57
Assets—Township	58
Income and Expenditure—Township etc.	60
Comments on the Accounts	61
Annual Report of IOBL	64
India Trading (Holdings) Pvt. Ltd.	83



**INDIAN OIL UNITS****CHAIRMAN'S OFFICE:**

Indianoil Bhavan,  
Janpath, NEW DELHI-110001.

**REFINERIES & PIPELINES DIVISION:****HEAD OFFICE:**

Indianoil Bhavan, Janpath,  
NEW DELHI 110001.

**REFINERIES:****Gauhati**

P.O. Noonmati,  
GAUHATI 781 001.  
(Assam)

**Barauni**

P.O. Barauni Oil Refinery,  
DIST. BEGUSARAI 851 114.  
(Bihar)

**Gujarat**

P.O. Jawaharnagar,  
DIST. VADODRA, 390 001.  
(Gujarat)

**Haldia**

P.O. Haldia Refinery,  
DIST. MIDNAPUR 721 606.  
(West Bengal)

**Mathura**

P.O. Mathura Refinery,  
MATHURA 281 005.  
(U.P.)

**PIPELINES:**

Pipelines Office:  
'Kailash', 8th floor,  
26, Kasturba Gandhi Marg,  
NEW DELHI 110001.

**MARKETING DIVISION:****HEAD OFFICE:**

254-C, Dr. Annie Besant Road, Prabhadevi,  
BOMBAY 400 025.

**REGIONAL OFFICES:**

Western Regional Office,  
Keshavrao, Khadye Marg,  
Mahalaxmi, BOMBAY 400 034.

Northern Regional Office,  
Indianoil Bhavan, Janpath,  
NEW DELHI 110001.

Eastern Regional Office,  
1, Shakespeare Sarani,  
CALCUTTA 700071.

Southern Regional Office,  
Indianoil Bhavan  
139, Nungambakkam High Road,  
MADRAS 600 034.

**ASSAM OIL DIVISION**

DIGBOI 786 171.  
(Assam)

**R & D CENTRE:**

Sector 13, FARIDABAD 121 002.  
(Haryana)

**INDIAN OIL BLENDING LIMITED:**

(A wholly owned subsidiary of  
Indian Oil Corporation Limited)

**REGISTERED OFFICE:**

Pir Pau, Trombay,  
BOMBAY 400 074.

**LUBE PLANTS:**

Pir Pau, Trombay,  
BOMBAY 400 074.

P-68, C. G. R. Diversion Road, Paharpur,  
CALCUTTA 700043.



# BOARD OF DIRECTORS

A.J.A. TAURO  
Chairman

T.K. SINHA  
Managing Director  
(Refineries & Pipelines)

K.L. GOEL—(upto 25-7-83)  
Finance Director

M.S. RANA  
Director (Personnel)

NITIN DESAI

R. VASUDEVAN

R. VENKATESAN—(upto 19-8-83)

## **SECRETARY**

D.B. PURI

## **BANKERS**

Sate Bank of India

United Bank of India, Calcutta

First National City Bank, Calcutta

Grindlays Bank Ltd., Calcutta

## **JOINT AUDITORS**

M/s. Ford, Rhodes, Parks & Co.

M/s. Ray and Ray

## **BRANCH AUDITORS**

M/s. T.R. Chadha & Co.

M/s. B.C. Jain & Co.

M/s. Bahl Gupta & Associates

M/s. Jain Kapila Associates

M/s. S. Venkatram & Co.

M/s. K. Gnananandulu & Co.

M/s. Rajendra K. Goel & Co.

## **REGISTERED OFFICE**

254-C, Dr. Annie Besant Road,  
Prabhadevi, Bombay—400 025.



## EXECUTIVES

### CHAIRMAN'S OFFICE

J. JAYARAMAN

Chief General Manager  
International Trade

T.S. ANAND

Financial Controller-Coordination

J.S. OBEROI

General Manger  
Transport & Coordination

S.S. LAMBA

Chief Vigilance Officer

### R & P DIVISION

#### HEAD OFFICE

K.K. MALHOTRA

Chief General Manager

Operations

S.K. NAYAK

Chief General Manager

Projects

H. N. ROY CHOUDHURY

Financial Controller

K. JAI SINGH

General Manager

Personnel

N. GUHA ROY

General Manager

Pipelines

### REFINERIES

J.L. VASUDEVA

General Manager

Gujarat Refinery

K. C. JAIN

General Manager

Mathura Refinery

N.L. MAZUMDAR

General Manager

Haldia Refinery

S.N. SARKAR

General Manager

Barauni Refinery

T. KRISHNAMURTHY

General Manager

Gauhati Refinery

### MARKETING DIVISION

#### HEAD OFFICE

B.B. BAKSHI

General Manager

Personnel

B.M. LAL

General Manager

Lubes

C.Y.V. RAO

General Manager

Technical Audit

D.N. SHARMA

General Manager

Sales

G.S. PANDYA

Financial Controller

R.M. BASRUR

General Manager

Operations

S.C. GHOSE

General Manager

Supplies

### REGIONAL OFFICES

B.K. BAKSHI

General Manager

Northern Region

INDU VIRA

General Manager

Western Region

P.E. MATHEWS

General Manager

Eastern Region

S.P. MATHUR

General Manager

Southern Region

### ASSAM OIL DIVISION

B.N. DUTTA

General Manager

### R & D CENTRE

P. K. GOEL

General Manager



## CORPORATE OBJECTIVES

- To maintain Indianoil's important role as the country's leading oil company in the areas of refining, pipeline transportation, distribution and marketing, and to achieve increasing efficiency and technological as well as operational self-reliance in these areas.
- To promote conservation and efficient utilisation of petroleum products and encourage schemes for development of viable energy alternatives in the context of worldwide rising costs and depletion of petroleum as an energy resource.
- To give high priority to customer satisfaction by promoting healthy trade practice, should commercial policies, improvement in product quality and service consciousness in its employees and resellers.
- To actively pursue research and development schemes for development of new products, qualitative improvement in existing products, and substitution and reduction of foreign inputs so as to achieve self-reliance especially in lubrication and refining technologies.
- To effectively handle the country's entire imports of crude oil and deficit petroleum products and to export those petroleum products which are surplus which are surplus to the country's requirements.
- To generate reasonable and adequate profits within permissible limits through improved productivity standards consistent with the overriding need to achieve equitable distribution of petroleum products in the country while fulfilling the socio-economic objectives enshrined in the public sector enterprises.
- To offer expertise to other developing countries by way of consultancy services and joint ventures in the areas of refining, marketing and transportation.
- To constantly review and update organisational needs and skills to effectively discharge its responsibilities as the leading organisation in a vital industry by maintaining a professional cadre of managers, and through development of technical and supervisory skills of its employees under proper working conditions and in a climate of harmonious industrial relations.
- To maintain and improve the corporate image.

**NOTICE**

Notice is hereby given that the 24th 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-400 025 at 14.30 hours on 28th September, 1983 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet, Profit & Loss Account and Report of the Auditors and Directors thereon for the financial year ended 31st March, 1983.
2. To declare dividend.

By order of the Board  
D. B. PURI  
*Secretary*

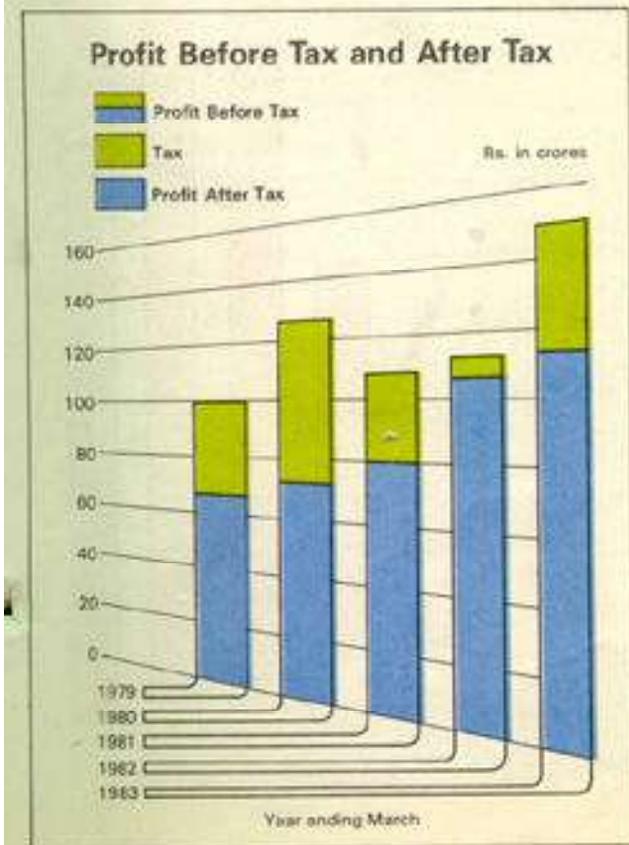
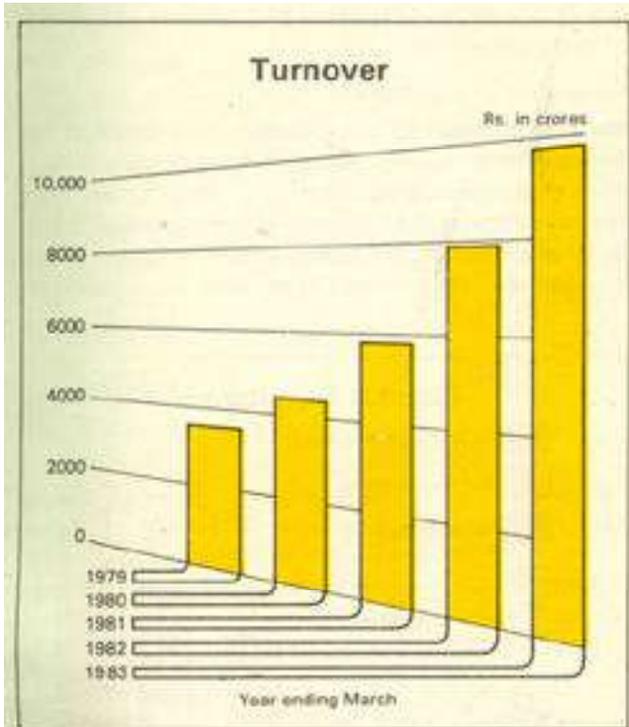
Bombay, Dated 31st August, 1983.

*Note:* 1. 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.

# DIRECTORS' REPORT 1982-83

To,  
THE SHAREHOLDERS OF  
INDIAN OIL CORPORATION LIMITED

Gentlemen,  
Yours Directors are happy to place before you the 24th Annual Report on the working of the Corporation for the financial year ending 31st March, 1983 together with the audited accounts. The year 1982-83 was one of continued growth for the Corporation as will be evident from the financial highlights given below:



	(Rs. in crores)	
	1982-83	1981-82
<b>Turnover</b>	<b>9786.83</b>	7940.05
<b>Profits:</b>		
Profit before interest payments, depreciation and tax	328.25	283.00
Interest payments	72.56	94.84
Depreciation	105.61	74.13
Profit before tax	150.08	114.03
Tax provision	33.23	7.50
Profit after tax	116.85	106.53
Development Rebate		
Reserve written back	3.01	2.11
Disposable Profit	119.87	108.65
Appropriations:		
Proposed Dividend @ 14%	17.26	17.26
Investment Allowance		
Reserve	41.50	31.00
Insurance Reserve Account	0.10	0.10
General Reserve	61.00	60.28

### Turnover

The Turnover of your Corporation increased by 23 per cent to reach Rs. 9786.83 crores during the year 1982-83 registering a rise of Rs. 1846.78 crores over the previous year. The Corporation continued to maintain its lead in the petroleum industry with a market participation of 61.5 per cent.

### Profit

Profit before tax during the year registered an increase of Rs. 36.05 crores from Rs. 114.03 crores to Rs. 150.08 crores. The post-tax profit increased from Rs. 106.53 crores to Rs. 116.85 crores.

The increase in profit arose mainly because of higher throughput attained by the refineries and increased volume of sales. Actual throughput in 1982-83 was 17.83 million tonnes as against 13.86 million tonnes in the previous year. The sales volume increased from 19.93 million tonnes to 21.34 million tonnes during the year. In addition, claims allowed by Government in part for escalations in the costs contributed towards the higher profit.

**Dividend**

Your Directors have recommended the payment of dividend at 14 per cent. The dividend will absorb an amount of Rs. 17.26 crores out of the disposable profit of Rs. 119.87 crores.

**Contribution to Exchequer**

The Corporation contributed Rs. 1089.98 crores to the Exchequer during the year in the form of duties and income-tax. The cumulative contribution since the inception of the Corporation on account of duties, income-tax and dividend amounts to Rs. 10682.21 crores.

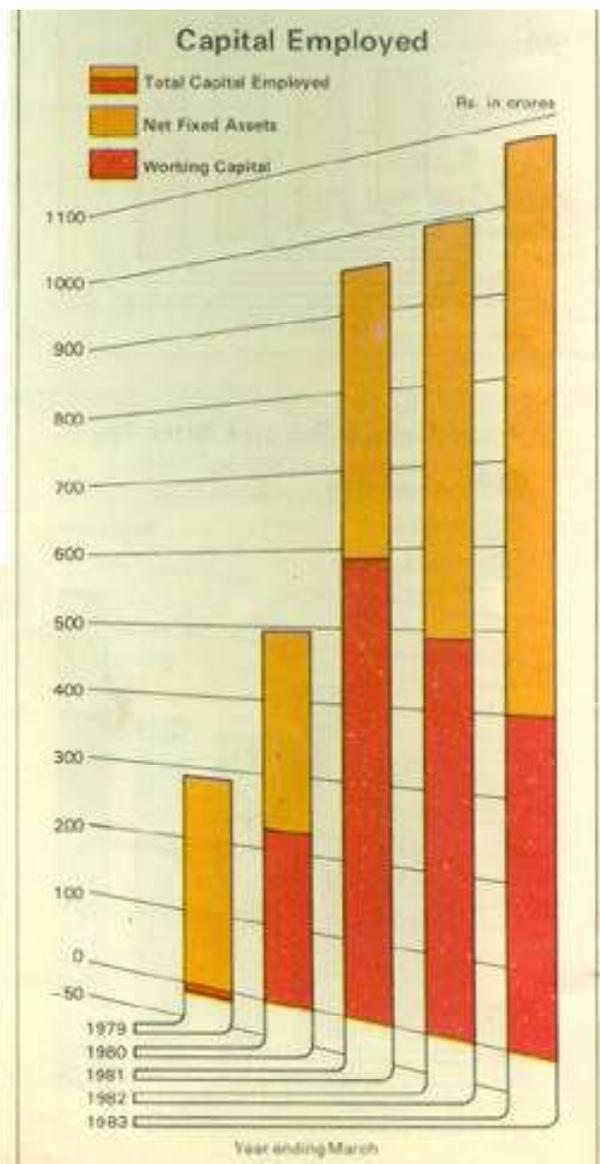
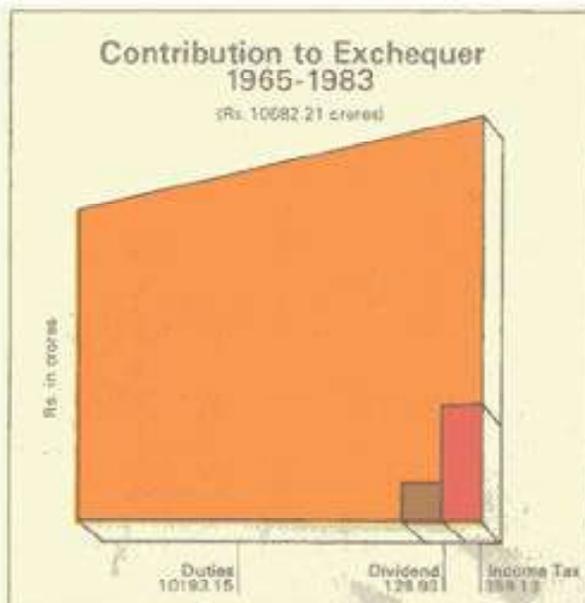
**Cash Management**

The Corporation had another difficult year in Cash Management. There was continued pressure from the Reserve Bank of India to contain the bank borrowings to finance the working capital requirements to finance the working capital requirements within the Chore Committee norms.

Consequent on the increased generation of internal resources by way of depreciation and retention of profits and increase in the Public Fixed Deposits, your Corporation has been able to bring down the bank borrowings as on 31-3-1983 to Rs. 266.54 crores as compared to Rs. 433.26 crores at the end of the previous year.

**Financing of Investment**

Your Corporation incurred capital expenditure of Rs. 146.33 crores during the year under review. To meet this capital expenditure, rs. 35.01 crores were borrowed from Oil Industry Development Board. The balance of Rs. 111.32 crores was financed from internal resources. Your Corpora



tion plans to invest Rs. 214.07 crores during 1983-84 on various projects under construction mainly from internal resources.

**Public Deposit Scheme**

The Public Deposit Scheme introduced in 1980-81 gained considerable momentum during the year and an amount of Rs. 31.77 crores was collected against Rs. 19.51 crores in the previous year. The total deposit stood at Rs. 62.42 crores as against Rs. 30.65 crores at the end of the previous year.

**REFINERIES OPERATIONS**

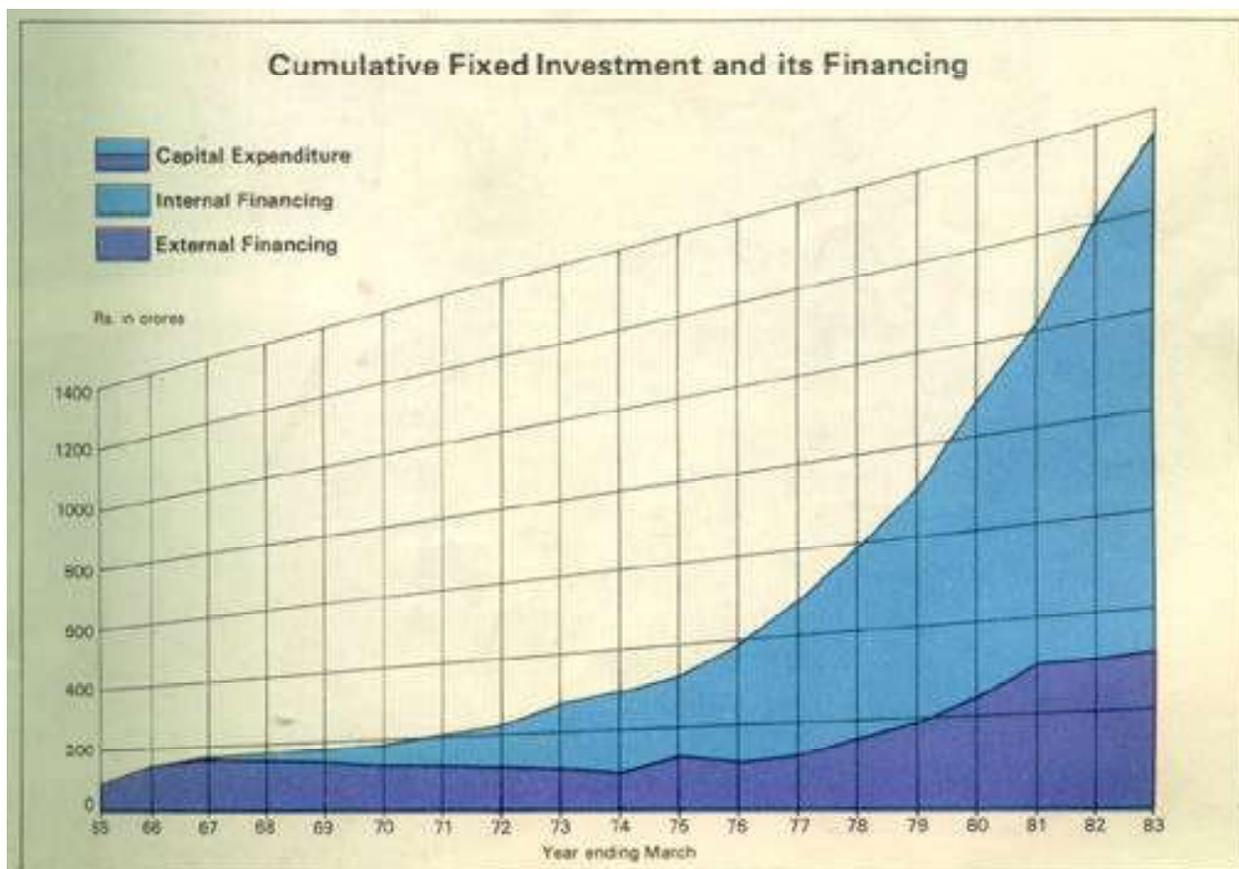
The six refineries of the Corporation at Gauhati, Barauni, Gujarat, Haldia, Mathura and Digboi processed 17.83 million tonnes of crude oil during the year 1982-83 against 13.86 million tonnes in 1981-82 resulting in an increase of 28.7 per cent over the last year. The increase was mainly at Mathura Refinery which processed 3.844 million tonnes in 1982-83 against 0.519 million

tonnes 1981-82. The comparative picture of the design capacity and the actual throughput of the six refineries during the last three years is as under:

*(Figures in million tonnes)*

Refinery	Throughput			Design Capacity
	1980-81	1981-82	1982-83	
Gauhati	0.639	0.746	0.802	0.750
Barauni	0.504	3.030	3.071	3.000
Gujarat	6.974	7.043	7.089	6.000
Haldia	2.308	2.277	2.503	2.500
Mathura	—	0.519	3.844	6.000
Digboi	—	0.240*	0.520	0.530
<b>Total</b>	<b>10.425</b>	<b>13.855</b>	<b>17.829</b>	<b>18.780</b>

\* w.e.f. 14.10.1981, the date of vesting with I.O.C.





The noteworthy features of the Refinery Operations were:

- All the refineries except Mathura and Digboi processed crude oil at more than the design capacity.
- Barauni, Haldia and Gujarat refineries attained record throughputs.
- Processing of indigenous crude was 18 per cent higher than in the previous year.
- Bombay High Crude processing which was 1.3 million tonnes in 1981-82 was increased to 3.01 million tonnes in 1982-83.
- Production of lubes and bitumen was the highest ever achieved in Haldia Refinery. Actual, production of lubricants was 1.45

lakh tonnes against the earlier production of 1.25 lakh tonnes.

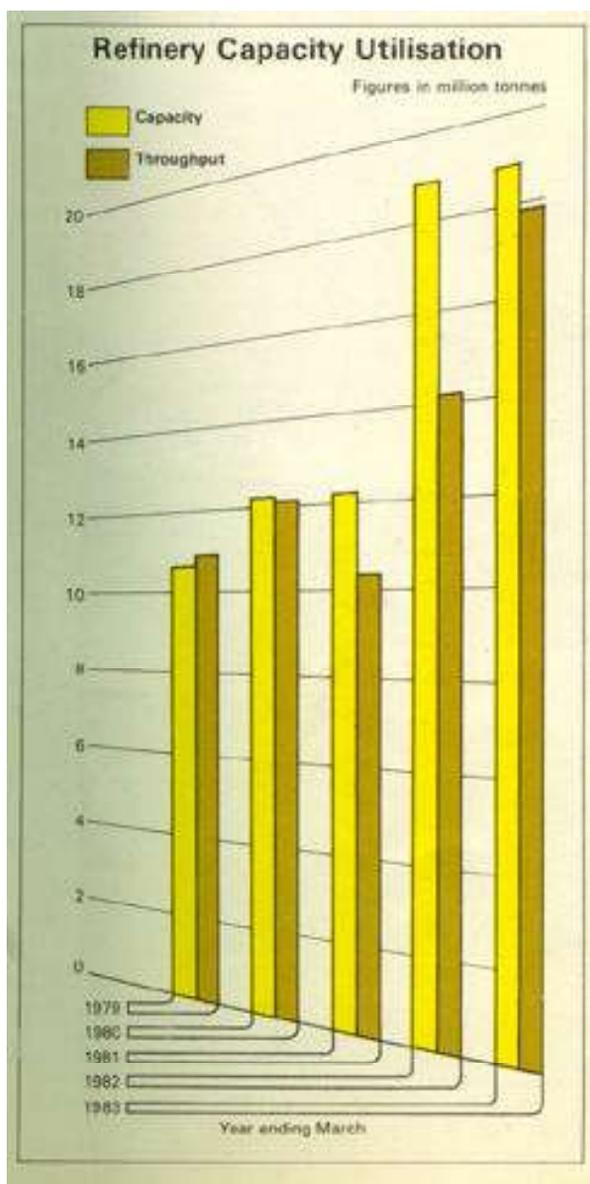
- FCCU (Fluid Catalytic Cracking Unit) and other related facilities were successfully commissioned at Gujarat Refinery and Mathura Refinery which will upgrade the residual oil and increase substantially the availability of middle distillates.

**ENERGY CONSERVATION**

The Corporation continued to place major emphasis on conservation of fuel and reduction of hydrocarbon losses at various operating refineries. A large number of energy conservation studies have been undertaken and action plans were drawn up. Low thermal efficiency furnaces in Crude Distillation Units No. I & II of Gujarat Refinery are being replaced. Similar schemes of replacement of low thermal efficiency furnaces of the Crude and Vacuum Distillation Units No. I & II of Barauni Refinery and of the Crude Distillation Unit of Gauhati Refinery, along with optimisation of its heat exchangers have been taken up. A waste heat boiler in the Coke Calcination Unit at Barauni Refinery is being installed to recover waste heat from flue gases for steam generation. Implementation of these projects would result in savings in fuel consumption of 46,000 tonnes per annum valued at Rs. 7,36 crores. Studies have been initiated for improvement of efficiency of heaters in other primary/secondary units in other refineries and the work is being given the highest priority.

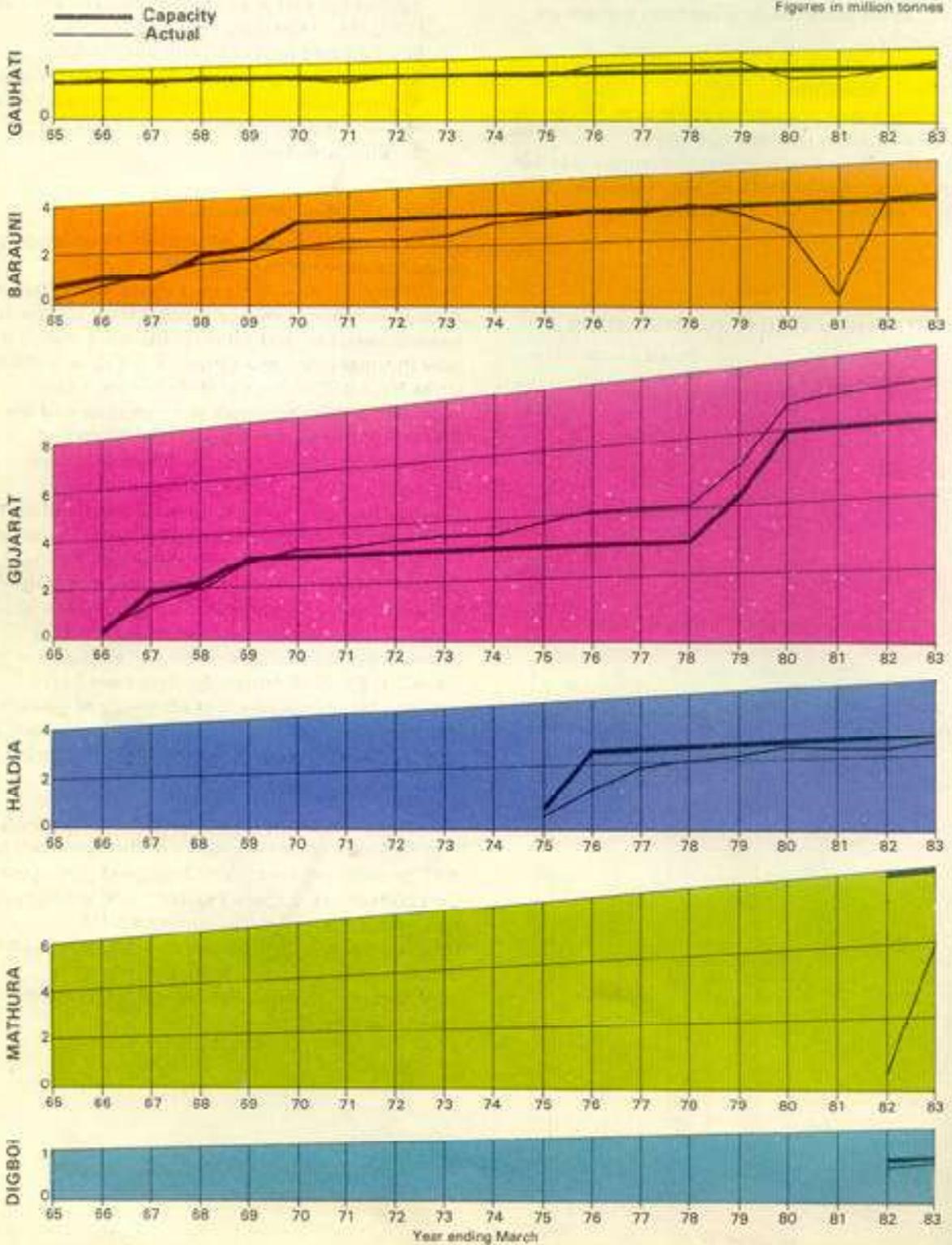
**MAINTENANCE & INSPECTION**

In keeping with the prime objective of improving the service factor of our refineries at the minimum cost and for securing longer uninterrupted runs, your Corporation has acquired modern and sophisticated equipment such as infra-red camera for thermography, hydraulic bolt tensioning equipment, dynamic balancing machines and vibration analysers for updating the preventive/predictive maintenance systems.



Refinery-wise Capacity Utilisation

Figures in million tonnes



**PIPELINES**

The Corporation has 1217 KM of Crude Oil Pipeline and 2624 KM of Product Pipeline, which transported 7.792 million tonnes of Crude Oil and 5.655 million tonnes of products during 1982-83. During the year, capacity of the Gauhati-Siliguri Pipeline was increased from 0.559 million tonnes to 0.818 million tonnes per annum mainly to transport products from Bongaigaon Refinery to Siliguri terminal. In addition, a new pipeline connecting Mathura Refinery to the consuming centres at Delhi, Ambala and Jullunder was commissioned with an annual capacity of 3.7 million tonnes from Mathura to Delhi, 2.2 million tonnes from Delhi to Ambala and 1.35 million tonnes from Ambala to Jullunder. This will not only result in more economic transportation, but also reduce stock losses and the burden on the Railways.

**MARKETING SALES**

The sharing of all-India sales of petroleum products between marketing companies continues to be regulated by the Sales Plan determined by the Government of India and all marketing activities of the oil companies are subject to the general discipline of this Plan. The demand of petroleum products in the country during the year 1982-83 was projected at 34.895 million tonnes out of which IOC Sales Plan entitlement (excluding the Assam Oil Division) was 20.445 million tonnes with a market participation of 58.6 per cent.

The Sales Plan entitlement of the Assam Oil Division was 0.531 million tonnes with a market participation of 1.5 per cent. Against this, your Corporation sales during the year 1982-83 were 21.341 million tonnes (including 0.497 million tonnes of AOD) with a market participation of 61.5 per cent against 61.3 per cent in the previous year.

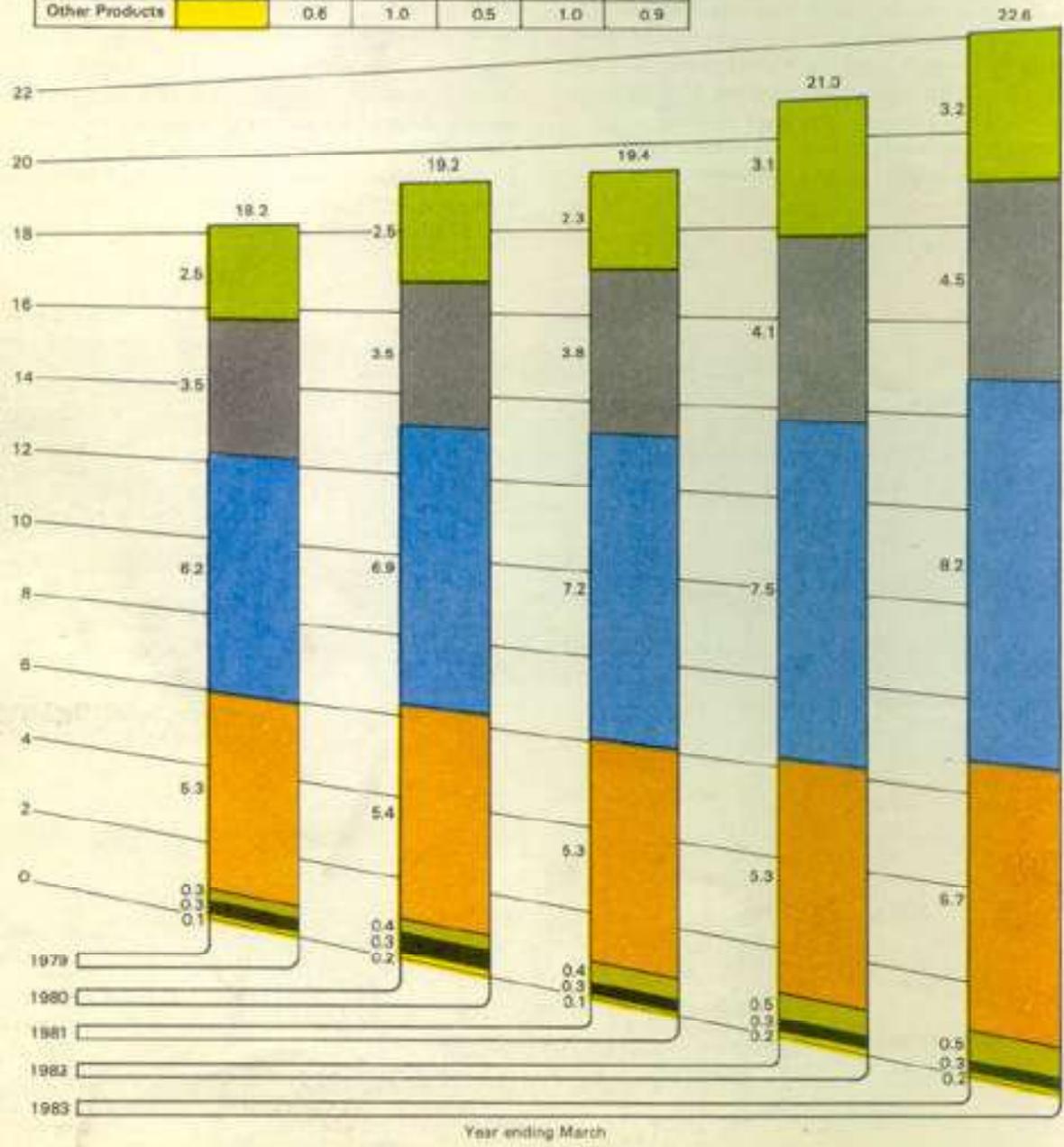
*Effluent treatment plant at the refinery*



Indianoil Sales (Domestic)

Product Groups	Percentage				
	1979	1980	1981	1982	1983
Light Ends	13.7	13.0	11.9	14.8	14.2
Kerosenes	19.2	18.2	19.6	19.5	19.9
Diesels	34.1	36.0	37.1	35.7	36.3
Heavy Ends	28.1	28.1	27.3	25.2	26.2
Bitumen	1.6	2.1	2.1	2.4	2.2
Lubes/Greases	1.7	1.6	1.5	1.4	1.3
Other Products	0.6	1.0	0.5	1.0	0.9

Figures in million tonnes



**RETAIL DISTRIBUTION & SOCIAL OBJECTIVES**

Special attention continued to be given to the retail distribution system. During the year 1982-83, 206 new retail outlets and 51 new SKO/LDO dealerships were commissioned, but 8 retail outlets and 12 SKO/LDO dealerships were de-commissioned. As of 31st March, 1983, 4830 retail outlets and 2642 SKO/LDO dealerships were in operation.

The Corporation continues to award dealerships/distributorships under the social objectives schemes. For better achievement of social objectives, the Ministry of Energy (Department of Petroleum) approved of revised guidelines in February, 1983 and these guidelines, inter alia, provide for the following reservations:

- (a) 25% for scheduled castes/scheduled tribes category (SC/ST) as hitherto.
- (b) 25% for unemployed graduates including unemployed engineering graduates (UG) remaining unemployed at least for one year before the date of application.
- (c) 15% for physically handicapped/government personnel disabled on duty/widows or government personnel who die in the course of duty (PH).
- (d) 5% for Freedom Fighters (FF)
- (e) 30% for Others (O) to be awarded on commercial considerations.

The number of retail outlet dealerships, SKO/LDO dealerships and Indane (LPG) distributorships under various categories as on 31-3-1983 was as under;

	Retail Outlet Dealerships	SKO/LDO Dealerships	Indane (LPG) Distributorships
SC/ST	144	112	88
UG	181	73	108
PH	37	10	42
FF	12	3	10
DGR	94	282	163
Co-ops.	115	77	37
Others	4247	2085	289
<b>Total:</b>	<b>4830</b>	<b>2642</b>	<b>737</b>

**AWARD OF DEALERSHIPS/ DISTRIBUTORSHIPS**

Taking into consideration the formidable task of appointing nearly 2882 dealerships/distributorships during 1982/84 in terms of guidelines, the oil industry adopted an objective selection procedure, which, inter alia, included the setting up of independent Selection Boards, consisting of a retired High Court Judge and retired senior Civil Servant. Two selection boards were created with headquarters at Delhi and Madras to begin with. Subsequently, two more selection boards have been created with headquarters at Calcutta and Ahmedabad.

**RURAL AND AGRICULTURE SECTOR**

In order to cater to the needs of the rural sector not only of petroleum products but also of fertilizers, pesticides, seeds, tractor parts, non-scheduled drugs, stationery and other consumer goods, 294 multi-purpose distribution centres were operating as at the end of March, 1983. In addition, 19 Taluka Kerosene Depots were operating in remote areas. It is proposed to set up 4 more Taluka Kerosene Deposits in the year 1983-84 .

**Cooking Gas**

With the additional availability of LPG from Bombay High, Mathura and Koyali Refinery Secondary Processing Units, the industry had drawn up plans to enroll 14-lakh additional customers during the year 1982-83 out of which IOC's share was 7-lakh customers. Against this IOC enrolled 7.83-lakh customers during the year. IOC plans to enroll 8-lakh additional customers during the year 1983-84. As on 31-1983, there were around 31-lakh Indane customers spread over 331 towns serviced through 737 distributors.

**DISTRIBUTION**

As on 31-3-1983 your Corporation had 15 Port Installations, 12 Pipeline Installations, 2 Inland Installations and 114 Bulk Depots. During the year 1982-83, 3 new Pipeline Installations were commissioned at Delhi, Ambala and Jullunder. LSHS handling facilities at Madras were also commissioned. With a view to augmenting the storage facilities of petroleum products in our country, an important tankage erection programme has been undertaken. During the year under review 3.13-lakh KL tankage was constructed at Installations and Depots. The total tankage at Installations and Depots as on 31-3-1983 was 24.46 lakh KL against 21.33 lakh KL as on 31-3-1982. In addition,



tankage of 1800 KL at Aviation Fuel Stations and 984 KL at Railway Consumer Depots was put up to meet the additional requirement of Airlines, the Indian Air Force and the Railways respectively.

The throughput of all products handled during 1982-83 through Installations and Depots was 268.98 lakh KL as against 270.90-lakh KL during the previous financial year.

### DRUM PLANT

During the year, the Drum Plant at Madras manufactured 3.09-lakh Lube barrels and 8.57 lakh Bitumen drums against 3.41-lakh Lube barrels and 7.12-lakh Bitumen drums in 1981-82.

### CONSERVATION

As a measure of conserving Kerosene, a high thermal efficiency Stove—'Nutan' was developed by the R&D Centre of the Corporation and has been in commercial production since 1977. This stove has a thermal efficiency of over 60% as compared to about 45% of most other currently

available kerosene stove. About 1.6 million stoves have been sold upto 31-3-1983. Production had been undertaken by several units operating under the guidance of the National Small Industries Corporations.

In order to increase the production of high thermal efficiency stoves in the country, it is proposed to offer technical know-how to all interested parties at a nominal fee of Rs. 1,000. It is expected that several units will go into production during 1983-84, availing this offer.

A new high efficiency LPG gas burner has also been developed with 10 to 12% higher thermal efficiency than the existing burners at present being marketed in the country. Technical know-how has also been offered to interested parties on payment of a fee of Rs. 10,000. Fiftyfive parties have availed of the offer and a few have already gone into production.

*Tank truck fleet at an Indianoil terminal*



## INTERNATIONAL TRADE

Considering the importance and the financial magnitude of imports and exports of crude oil and petroleum products (over Rs. 6000 crores per annum) which have been canalised through your Corporation, a separate International Trade Department was formed in October, 1982 with Delhi as Headquarters.

IOC is the canalising agency for import of crude and petroleum products on behalf of the entire Oil Industry. During the year 1982-83, 13.23 million tonnes of crude valued at Rs. 3062 crores were imported as against 11.51 million tonnes of crude valued at Rs. 2745 crores during the previous year. In addition, 5.41 million tonnes of finished petroleum products valued at Rs. 1619 crores and 0.11 million tonnes of lubricants at an approximate value of Rs. 54 crores were imported during the year as compared to the import of 4.58 million tonnes of finished products and 0.09 million tonnes of lubricants valued at Rs. 1384 crores respectively last year. In addition, 3.74 million

tonnes of crude oil valued at Rs. 852 crores has been imported by Madras Refineries Ltd. and Hindustan Petroleum Corporation directly in 1982-83 as against 3.85 million tonnes of crude valued at Rs. 900 crores imported last year. Thus, the total import bill worked out to Rs. 5587 crores as against Rs. 5029 crores in the previous year.

During the year the Corporation arranged for the export of 4.35 million tonnes of Bombay High Crude valued at Rs. 1021 crores in addition to the export of other products which were surplus to our requirements, valued at Rs. 134 crores. In addition to the above, a sum of Rs. 86.6 crores was realised for supply of aviation turbine fuel to International airlines and Rs. 15.45 crores for supply of bunkers/marine lubricants to foreign flag vessels at Indian ports. The saving in foreign exchange on account of upliftment of bunkers/marine lubricants by Indian flag vessels on foreign run at Indian ports was to the extent of Rs. 18.73 crores.

*Lighterage Operations at Sikka, on the West Coast*



**RESEARCH & DEVELOPMENT CENTRE**

During the year, an expenditure of Rs. 3.09 crores was incurred on research and development activities. A number of new products such as Multigrade Engine Oils, Superior two-stroke Engine Oil, Morgan Bearing Oils for steel mills, Shock Absorber Oil, Railway Axle Roller Bearing Greases, were developed. In addition, several new products which will result in import substitution, are also under development. It is proposed to undertake considerable expansion of research activities in the fields of refinery processes, synthetic lubricants, additives and environmental protection. A detailed feasibility report covering the new schemes to be undertaken has been drawn up.

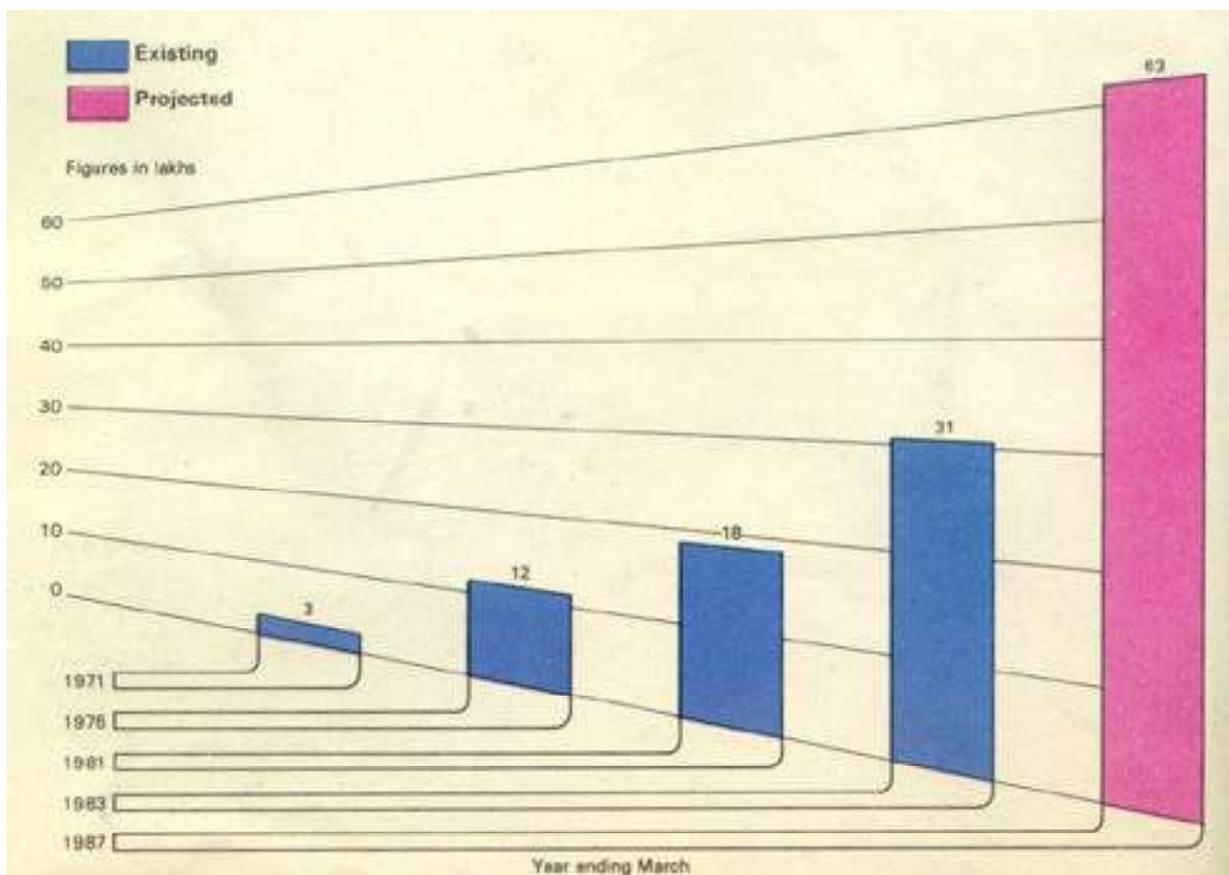
**PROJECTS**

Your Corporation incurred capital expenditure of Rs. 146.33 crores during the year 1982-83 on several projects. The major projects which have been under implementation are the following:

**Additional Coking Unit at Barauni Refinery:**

The unit is being set up at Barauni at an estimate cost of Rs. 44 crores. With its commissioning, the production of light and middle distillates will increase approximately by 281,000 tonnes per annum and of raw petroleum coke by 85,000 tonnes per annum. All major equipment has arrived at site and construction work is in progress. The unit is expected to be completed by September, 1984.

**Number of Indane (LPG) Customers**



**Mandatory Crude Oil Storage Tanks**

In order to provide for adequate inventory of imported crude oil, 12 crude oil storage tanks are being constructed with a capacity of about 6-5-lakh tonnes at an estimated cost of Rs. 43.5 crores. Seven of these tanks will be commissioned during the current financial year and the remaining tanks during the next year.

**Augmentation of LPG Storage and Distribution Facilities**

These facilities being provided at an estimated cost of Rs. 130.4 crores include the setting up of bottling plants at Bangalore, Salem, Jullunder, Allahabad, Kalyani and Bongaigaon. The project also covers the cost of acquiring additional LPG tank wagons and the procurement of cylinders, valves and pressure regulators. The bottling plants at Bangalore and Jullunder have already been commissioned and the plants at Allahabad and Salem are likely to be commissioned by the end of October, 1983. To move surplus LPG from Duliajan to the consumption centres near Cal-

cutta, a transshipment depot at Bongaigaon and a bottling plant at Kalyani, will be completed during the current financial year. Mini bottling plants at these locations are already in operation.

Another LPG project at an estimated cost of Rs. 241.5 crores has recently been approved by the Government with a view to utilise the additional availability of LPG from projects such as expansions of Madras Refineries, Cochin Refinery, as also the refineries of Bharat Petroleum Corporation, Hindustan Petroleum Corporation (Vizag), additional Coker at Barauni, Fractionation Unit at Hazira and Bombay High Uran unit No. 2. This programme includes the setting up of six new bottling plants at Bhopal, Hazira, Sawaimadhopur, Durgapur, Ranchi and Rajkot. In addition, some of the existing plants will also be expanded. Additional tank wagons, cylinders, valves and regulators will also be acquired. The project is expected to be completed by 1987-88.

An Indianoil retail outlet in New Delhi being operated by Solar Power



**Additional Product Tankage—Phase I**

To augment the storage capacity for petroleum products, construction has been undertaken of additional product tankages at several locations with a total capacity of 4.88-lakh KL, at an estimated cost of Rs. 32.10 crores. This is expected to be completed by March, 1985.

**NEW PROJECTS**

The Corporation has submitted to the Government feasibility report for the following projects.

**Karnal Refinery Project**

A Refinery is proposed to be constructed at Karnal with a capacity of 6-million tonnes per annum at an estimated cost of Rs. 1,181 crores.

The refinery will be equipped with Hydrocracker Secondary Processing facilities for the first time in the country to increase the yield of Diesel and Kerosene. It is visualised the project will be completed in five years from the date of approval. To feed this refinery a new pipeline is proposed to be laid from Chaksu on the existing Viramgam-Mathura Pipeline.

**Haldia Refinery Expansion**

The capacity of the existing Haldia Refinery is proposed to be increased by providing another 3-million tonne crude distillation unit along with a Hydrocracker at a cost of Rs. 592.79 crores. The project is expected to be completed in five years from the date of approval.

*At the R&D Centre of Indianoil*



**Barauni Refinery Expansion Project**

The original capacity of the 3-million tonnes per annum Barauni Refinery is proposed to be increased to 4.5 million tonnes per annum by modifications and additional facilities. This project will be completed in about 38 months from the date of approval. The estimated cost is Rs. 25.84 crores.

**Uran-Viramgam Pipeline Project**

To supplement the intake of Bombay High crude into the Salaya-Viramgam-Koyali-Mathura pipeline through the Single Buoy mooring facility at Salaya, it is proposed to lay a pipeline from Uran to Viramgam via Koyali. The estimated cost of this pipeline is Rs. 147.70 crores and would take 41 months to complete from the date of approval.

**PROJECTS UNDER CONSIDERATION**

Your Corporation is also examining several possibilities for increasing crude throughput by debottlenecking of equipment at all its refineries. It is expected that some of these projects will be taken up during the current year.

**Digboi Refinery**

Several schemes for expansion of capacity and modernisation at the Digboi Refinery are under study. These include replacement of existing boilers and diesel generating sets by more efficient gas turbines and waste heat boilers.

**A CORPORATE CITIZEN****Welfare of Employees**

The Corporation actively pursued its welfare-oriented programmes during the 1982-83. Welfare programmes included loans for house building, transport and canteen facilities, uniforms, workers' education classes, medical facilities, sports organised by the Corporation as well as by the Petroleum Sports Control Board, assistance to Employees' Clubs, Co-operative Credit and Consumer Societies, liberal incentives to encourage Family Planning, special leave to employees suffering from chronic ailments, assistance to employees undertaking expeditions, facilities to handicapped employees, special leave to handicapped employees for participating in games organised by the National Society for Equal Opportunities of the Handicapped and assistance to employees affected by natural calamities.

**Welfare of Weaker Sections**

The Presidential Directives received from the Government of India from time to time regarding employment of candidates belonging to reserved, categories such as Scheduled Castes/Scheduled Tribes, ex-Servicemen and Physically Handicapped were implemented. During the year 1982-83 your Corporation recruited 2,232 employees out of which 492 belonged to Scheduled Castes/tribes and 34 were handicapped.

**INDUSTRIAL RELATIONS**

A four year settlement was entered into with the recognised unions of the workers of the Corporation revising their wages and allowances and providing them with additional amenities and facilities covering the period from 1-5-1982 to 30-4-1986.

Emoluments of the officers of the Corporation were also revised with effect from 1-8-1982.

Industrial relations during the year 1982-83 in all units of the Corporation were cordial except to some extent in the Eastern Region of the Marketing Division on account of inter-union rivalry in Calcutta.

In order to improve production, a productivity linked bonus scheme has been introduced effective from 1.4.1982. It is expected that with the implementation of this scheme, the Corporation will achieve higher production at lower unit cost.

**HINDI IMPLEMENTATION**

Steps continued to be taken for increasing the adoption of Hindi pursuant to the provisions of Official Languages Act, 1963 and Official Languages Rules, 1976. Emphasis was laid on imparting training in Hindi, Hindi Typing and Hindi Stenography for the purpose of building up an adequate infrastructure for adoption of Hindi in day-to-day work. Various business forms, agreements and documents were bilingualised. Circulars, general orders, notices, standard letters etc., were issued in bilingual form. Steps were also taken to initiate Hindi correspondence. Activities relating to the implementation of the Official Language Rules are co-ordinated by Central and Regional Committees of different units which review the progress made from time to time and issue suitable guidelines to all concerned for accelerating progress.



Several workshops were conducted to impart training in Hindi correspondence, noting and drafting in Hindi to the officers and staff of the Corporation. An attractive incentive scheme exists in the Corporation for encouraging employees to learn Hindi as well as Hindi Typing and Stenography. Employees' interest is generated in Hindi through competitions and cultural activities. Some of the training programmes are conducted in Hindi and some Dealer Conventions/ Customer Clinics are also conducted in Hindi, particularly in 'A' Region locations. 'Indianoil Samachar'—the house journal of the Corporation as well as 'Dealer Samachar' are brought out in Hindi. Wall papers like 'Antarik Samachar', 'Grih Samachar' and 'Kutumb Samachar', too are published in Hindi.

#### INDIAN OIL BLENDING LIMITED

The Annual Accounts and Directors' Report of the Indian Oil Blending Limited, a wholly owned subsidiary of the Corporation, are annexed. Dur-

ing the year 1982-83 the Bombay and Calcutta plants of IOBL had a throughput of 2,48,492 KL as against 2,62,074 KL of lubes during the previous year.

The Grease Plant at Bombay had a throughput of 5,874 tonnes of greases during 1981-82. While grease production showed a marginal increase, there was a shortfall in the throughout of lubes on account of lower requirements.

The gross profit of the Company before depreciation investment allowance, provision for taxation and prior year adjustments was Rs. 86,57,198 as compared to Rs. 65,85,428 during the year 1981-82. The net profit after providing for investment allowance of Rs. 5,83,000, taxation of Rs. 27,47,000 and depreciation of Rs. 22,84,120 accounted to Rs. 30,43,078 as compared to Rs. 19,32,520 during the previous year. The disposable profit of the Company for the year 1982-83 after making prior year adjustments of Rs. 5,47,420

*Paraffin Wax unit of Digboi Refinery*



amount to Rs. 35,90,498 as against Rs. 20,86,980 in the preceding year. The net surplus for distribution during the year was Rs. 35,92,685 as against Rs. 20,92,187 during the previous year. The increase in the profitability of the Company was mainly because of revision in the rates of blending and manufacturing fee effective from 1st April, 1982.

### INDIA TRADING (HOLDING) LTD.

This Company was set up with the primary objective of acting as Trustees of two Provident Funds of the Employees of erstwhile Assam Oil Company Limited and Oil India Limited and the Pension Fund of the Employees of Oil India Limited.

Consequent upon the vesting of the Trust Funds in the respective successor companies i.e. Indian Oil Corporation Limited and Oil India Limited, the primary purpose for which the company was set up no longer remains. Necessary steps are being taken to wind up the company. A copy of the Annual Accounts and Directors' Report of this wholly owned company of the Corporation is annexed.

### FOREIGN TOURS

The total number of foreign tours undertaken by the officers was 104 and the total expenditure incurred on such tours during the year 1982-83 was Rs. 22.34 lakhs.

### DIRECTIVE RECEIVED FROM THE PRESIDENT OF INDIA UNDER ARTICLE 144(b) OF THE ARTICLES OF ASSOCIATION OF THE CORPORATION

A comprehensive revised Presidential Directive incorporating all the provisions on the subject of reservations for Scheduled Castes Castes/ Scheduled Tribes in appointment in Public Sector Enterprises was received from the Ministry of Energy (Department of Petroleum), vide their letter No. P-34011/1/82-IOC dated 11th November, 1982.

### BOARD OF DIRECTORS

In terms of Article 94(b) of the Articles of Association of the Corporation the following Directors shall retire at the Annual General Meeting but are eligible for re-appointment:

1. Shri Nitin Desai
2. Shri R. Vasudevan

Shri K.L. Goel, Finance Director, has resigned from the services of the Corporation w.e.f. 25th July, 1983. The Board of Directors wish to place on record their sincere appreciation of the services rendered by Shri Goel during his tenure as Finance Director.

### PARTICULARS OF EMPLOYEES

The particulars of employees pursuant to section 217(2A) of the Companies Act and Companies (Particulars of Employees) Rules, 1975 are annexed.

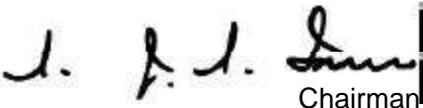
### ACKNOWLEDGEMENTS

The Board of Directors wish to place on record their appreciation of the excellent work done by the employees of the Corporation. The working results for the year have surpassed previous records and this has been possible largely because of the hard work, loyalty and devotion of the employees.

The Directors' thanks also go to the customers for the confidence reposed by them in your Corporation.

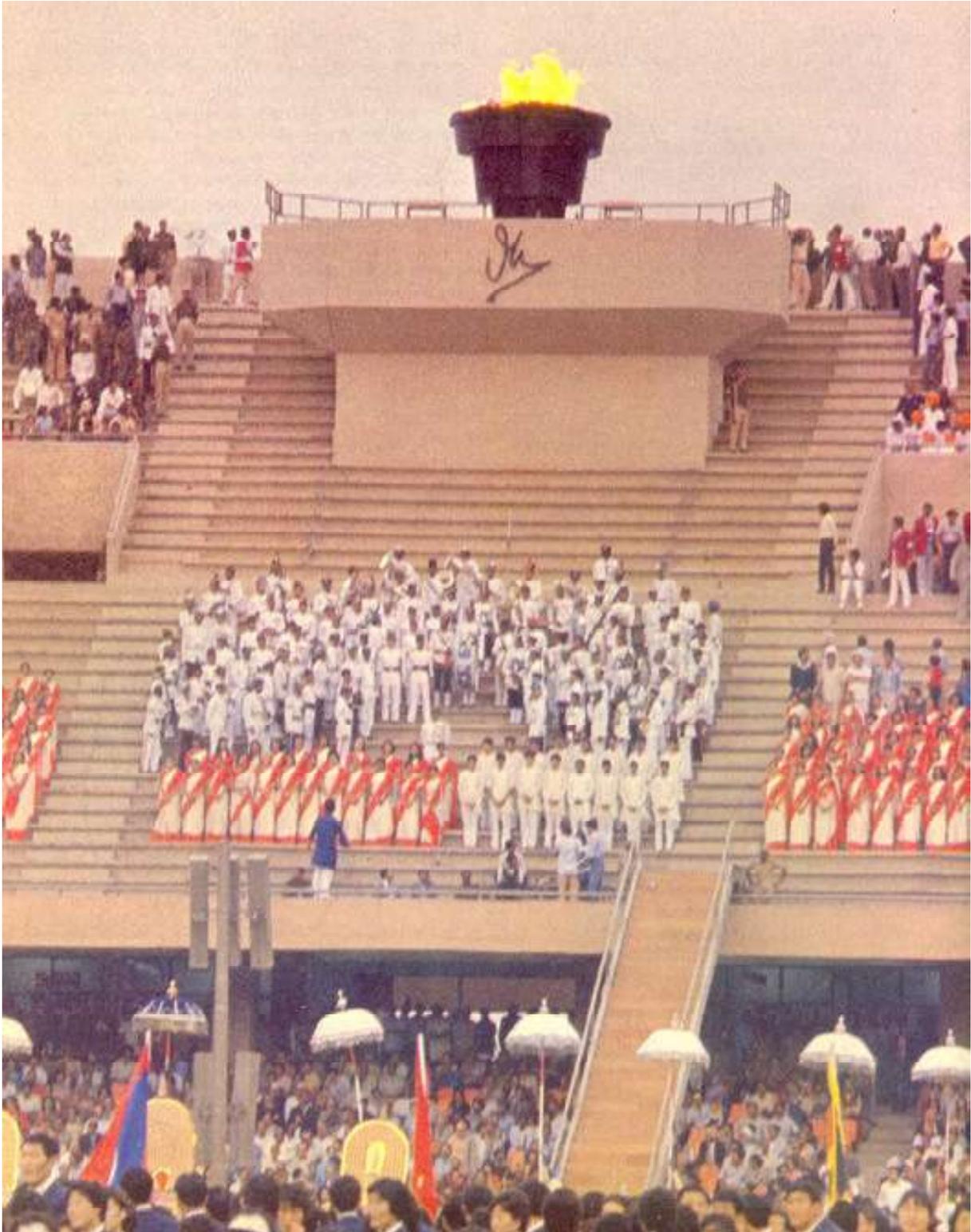
The Directors gratefully acknowledge the guidance and support received from the State Governments and the Government of India.

For and on behalf of the Board

  
Chairman

New Delhi,  
Dated: 8th September, 1983.

*Indianoil supplied Indane gas for the ASIAD flame during Asian Games-82.*



**A TEN-YEAR PROFILE**

(Rupees in crores )

	1982-83	1981-82	1980-81	1979-80	1978-79	1977-78	1976-77	1975-76	1974-75	1973-74
<b>WHAT WE OWE:</b>										
Share Capital:	123	123	82	82	82	82	82	71	71	71
Reserves	572	472	424	355	291	232	191	149	125	100
Net worth	695	595	506	437	373	314	273	220	196	171
Borrowings	562	705	778	380	112	76	47	41	94	77
	<b>1,257</b>	<b>1,300</b>	<b>1,284</b>	<b>817</b>	<b>485</b>	<b>390</b>	<b>320</b>	<b>261</b>	<b>290</b>	<b>248</b>
<b>WHAT WE OWN:</b>										
Fixed Assets	1,352	1,206	1,018	855	705	585	476	384	335	295
Less: Depreciation	495	391	320	262	210	180	161	140	115	95
	<b>857</b>	<b>815</b>	<b>698</b>	<b>593</b>	<b>495</b>	<b>405</b>	<b>315</b>	<b>244</b>	<b>220</b>	<b>200</b>
Working Capital	400	485	586	224	(10)	(15)	5	17	70	48
	<b>1,257</b>	<b>1,300</b>	<b>1,284</b>	<b>817</b>	<b>486</b>	<b>390</b>	<b>320</b>	<b>261</b>	<b>290</b>	<b>248</b>
<b>INCOME:</b>										
Sales	9,787	7,940	5,711	4,476	3,564	3,000	2,663	2,422	1,961	1,241
Accretions/Decretions	205	98	50	155	9	30	14	(19)	25	82
Other Income	61	94	99	52	27	14	16	11	12	(5)
	<b>10,053</b>	<b>8,132</b>	<b>5,860</b>	<b>4,683</b>	<b>3,600</b>	<b>3,044</b>	<b>2,693</b>	<b>2,414</b>	<b>1,998</b>	<b>1,318</b>
<b>EXPENDITURE:</b>										
Purchase & Manufacturing Expenses	9,590	7,754	5,550	4,435	3,410	2,870	2,514	2,283	1,878	1,231
Establishment, Administration & Selling Expenses	134	95	72	63	56	53	50	49	40	37
Depreciation	106	74	57	52	30	19	21	25	20	15
Interest	73	95	73	5	4	2	2	5	8	4
	<b>9,903</b>	<b>8,018</b>	<b>5,752</b>	<b>4,555</b>	<b>3,500</b>	<b>2,944</b>	<b>2,587</b>	<b>2,362</b>	<b>1,946</b>	<b>1,287</b>
PROFIT BEFORE TAX	150	114	108	128	100	100	106	52	52	31
PROFIT AFTER TAX	117	106	81	74	69	49	49	30	31	10
DIVIDENDS	17	17	12	10	10	8	7	6	6	4
RETAINED EARNINGS	100	89	69	64	59	41	42	24	25	6
<b>RATIOS:</b>										
Profit after tax as % to average net worth	18.1	19.3	17.2	18.3	20.1	16.7	19.9	14.4	16.9	6.0
Earnings per Equity Share (Rupees)	948.0	864.0	981.0	894.0	842.0	599.0	589.0	420.0	431.0	138.0
Net worth/ Equity Share (Rupees)	5,637.0	4,829.0	6,156.0	5,314.0	4,541.0	3,819.0	3,319.0	3,098.0	2,758.0	2,407.0

Note: Figures in brackets denote minus.



**HOW FUNDS GENERATED & UTILISED**

(Rupees in crores)

DESCRIPTION	FOR THE YEAR ENDED 31ST MARCH					
	1983	1982	1981	1980	1979	1978
<b>A. SOURCE OF FUNDS:</b>						
1. Internal Resources:						
Retained Profits	100	89	69	64	59	41
Depreciation	104	71	57	52	30	19
	<u>204</u>	<u>160</u>	<u>126</u>	<u>116</u>	<u>89</u>	<u>60</u>
2. External Resources:						
Share Capital	—	—	—	—	—	—
Borrowings from Govt./Others	24	20	82	63	31	30
Borrowings from Bank	(167)	(94)	316	205	5	(1)
	<u>(143)</u>	<u>(74)</u>	<u>398</u>	<u>268</u>	<u>36</u>	<u>29</u>
<b>TOTAL FUNDS</b>	<u>61</u>	<u>86</u>	<u>524</u>	<u>384</u>	<u>125</u>	<u>89</u>
<b>B. UTILISATION OF FUNDS:</b>						
Increase in fixed assets	146	188	162	150	120	109
Net increase/decrease in working capital	(85)	(102)	362	234	5	(20)
	<u>61</u>	<u>86</u>	<u>524</u>	<u>384</u>	<u>125</u>	<u>89</u>
<b>CHANGES IN WORKING CAPITAL</b>						
<b>A. CURRENT ASSETS:</b>						
1. Inventories	51	46	457	249	45	34
2. Book Debts	(39)	152	3	69	27	12
3. Cash & Bank Balance	—	(9)	9	—	5	(30)
4. Loans & Advances	134	(276)	130	232	27	32
	<u>146</u>	<u>(87)</u>	<u>599</u>	<u>550</u>	<u>104</u>	<u>48</u>
<b>LESS:</b>						
B. Current liabilities and provision	231	15	237	316	99	68
C. Working capital (A—B)	<u>(85)</u>	<u>(102)</u>	<u>362</u>	<u>234</u>	<u>5</u>	<u>(20)</u>

Note: Figures in brackets denote minus.



**STATEMENT OF ADDED VALUE  
1982-83**

	Rupees in crores	Percentage
Value of Production (Refineries)	3,438	
<i>Less:</i> Cost of Direct Materials	<u>3,208</u>	
Added Value	230	
Marketing Operations	171	
Pipeline Operations	70	
R & D	<u>3</u>	
	474	
<b>SHARED TOWARDS:</b>		
<b>I. Operations:</b>		
Employees Benefits (Salaries, wages & other benefits)	82	17.3
Other Costs	<u>63</u>	13.3
	145	
<b>II. Financing:</b>		
Interest on Govt. Loans (including OIDB)	17	3.6
Interest on working capital	56	11.8
Dividend	<u>17</u>	3.6
	90	
<b>III. Taxation</b>		
	33	7.0
<b>IV. Expansion &amp; Growth:</b>		
Depreciation	106	22.3
Retained Profits	<u>100</u>	21.1
	206	



**AUDITORS' REPORT TO THE SHAREHOLDERS**

We have audited the attached Balance Sheet of Indian Oil Corporation Limited as at 31st March, 1983, and the Profit and Loss Account of the Corporation for the year ended on that date annexed thereto and report that:

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1975, issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Corporation so far as appears from our examination of the books;
  - (c) The allocation of the work between the auditors has been followed as per directions contained in the letter No. 17/137/83/IGC dated 21-2-1983 addressed to the Secretary, Indian Oil Corporation Ltd., by the Government of India, Ministry of Law, Justice & Company Affairs, Department of Company Affairs (Company Law Board), New Delhi, copies of which were forwarded to us;
  - (d) The reports on the accounts audited by the respective Branch Auditors were received and properly dealt with by us while preparing report;
  - (e) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the Notes give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
  - (i) In the case of the Balance Sheet of the State of affairs of the Corporation, as at 31st March, 1983.

and

- (ii) In the case of Profit and Loss Account of the Profit of the Corporation for the year ended on that date.

For RAY & RAY  
Chartered Accountants

S.C. SAHA  
*Partner*

*New Delhi, 18th August, 1983.*

For FORD, RHODES, PARKS & CO.  
Chartered Accountants

G. R. PRADHAN  
*Partner*



**ANNEXURE TO THE AUDITORS' REPORT**

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

1. The Corporation has generally maintained proper records to show full particulars including quantitative details and situation of fixed assets except in some cases of Furniture and Fixtures. The fixed assets of the Corporation are physically verified by the Management in a phased programme of three year cycle which in our opinion is reasonable having regard to the size of the Corporation and the nature of the assets. However, in a few units, the reconciliation of fixed assets verified is still in progress. To the best of our knowledge, no serious discrepancies have been noticed.
2. None of the fixed assets have been revalued during the year.
3. The stock of finished goods, packages and raw materials have been physically verified during the year by the Management and the stock of stores and spare parts are verified by them in a phased programme so as to complete verification within three years. In our opinion, the frequency of verification is reasonable. We have been informed that the discrepancies noticed on verification between the physical stocks and book records were not significant to the extent they were reconciled and the same have been properly dealt with in the books of account. In some cases the reconciliation between physical stocks and Price Stores Ledger is pending and the discrepancy, if any, is not likely to be material according to the Management. In our opinion, the valuation of the above stocks subject to note 4 in Schedule 'P' regarding surplus/slow moving stores is fair and proper and in accordance with the normally accepted accounting principles and is on the same basis as in previous year.
4. The Corporation has not taken any loans from the companies, firms or other parties in which Directors are interested or from companies under the same management.
5. Loans and advances in the nature of loans have been given to the employees and outside parties who are repaying the principal amounts as stipulated and are also regular in the payment of interest except in a few cases where principal and interest have become overdue for which reasonable steps have been taken for recovery.
6. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Corporation and the nature of its business with regard to the purchase of stores, raw materials including components, plant and machinery, equipment and other similar assets.
7. In our opinion and according to the information and explanations given to us, the prices paid for purchases of stores, raw materials or components in excess of Rs. 10,000 in value of each type from subsidiaries or from companies or other parties in which Directors are interested are reasonable as compared to the prices of similar items supplied by other parties or as available with the Corporation, except in some cases the Corporation is awarding contracts to Public Sector Undertakings and/or Government Companies who enjoy a price preference generally not exceeding 10 per cent under general guidelines of the Government.
8. As explained to us, the Corporation has a regular procedure for the determination of unserviceable, damaged and/or surplus stores, packages and raw materials. However, as on 31st March, 1983, loss, if any, on the above items has not been determined. In this regard, reference is made to note 4 in Schedule "P".
9. In the case of public deposits accepted by the Corporation during the year, provisions of Section 584 of the Companies Act, 1956 and the applicable rules framed thereunder have been complied with.



10. In our opinion, reasonable records have been maintained by the Corporation for the sale and disposal of contaminated products, slops and scraps.
11. While the Corporation has an internal audit system which as such may be regarded as commensurate with the size and the nature of its business, in our opinion, the coverage needs to be further extended in certain areas.
12. We are informed that the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956, for any of the products of the Corporation.
13. According to the records of the Corporation, Provident Fund dues have generally been regularly deposited during the year with the appropriate authorities.
14. As per the information and explanations given to us, there were no damaged stocks in the class of goods traded in by the Corporation.

For RAY & RAY  
*Chartered Accountants*

S.C. SAHA  
*Partner*

For FORD, RHODES, PARKS & CO.  
*Chartered Accountants*

G. R. PRADHAN  
*Partner*

New Delhi, 18th August, 1983.



**STATEMENT OF ACCOUNTING POLICIES****1. FIXED ASSETS:****1.1 Land**

Land acquired on leases of 999 years is treated as freehold land. Cost of 'right-of-way' for laying pipelines is capitalised and crop compensation paid thereon is charged during construction period as indirect expense.

**1.2 Capitalisation of expenses on Projects**

In respect of major direct and financing expenses, if any, incurred during construction period are capitalised. In addition, for new refineries/expansions and new pipelines, the allocable overheads are also capitalised.

**1.3 Depreciation**

1.3.1 No depreciation is charged on freehold land. Cost of leasehold land is amortised during the lease period. Cost of LPG Cylinder/Pressure regulator is depreciated fully in the year of capitalisation after retaining a token value of Re. 1/- per cylinder/pressure regulator. Plant & Machinery and Furniture & Fixtures except table and chairs costing upto Rs. 750/- and Rs. 250/- respectively are charged to revenue. Depreciation of fixed assets is charged based on the assessed life of the asset, except in the last year, when only 5% of the original cost of the asset is retained as residual value. Depreciation is charged for full year irrespective of date of installation/commissioning. No depreciation is charged on assets sold/disposed off during the year.

1.3.2 In case of Assam Oil Division which vested in the Corporation with effect from 14-10-1981, depreciation on fixed assets is charged on written down value method at the rates provided in the Income-tax act.

**1.4. Exchange rate**

Liability for long-term foreign credit is provided on the basis of bank selling rates ruling on the day of capitalisation of assets acquired against such credits. Subsequent exchange fluctuations are charged to revenue in the year of payment.

**2. CURRENT ASSETS AND PROVISIONS:****2.1 Valuation of Inventories**

2.1.1. Process stock is valued at raw material cost.

2.1.2 The cost of stock in trade is determined as per Oil Prices Committee Report and changes thereon advised by Government from time to time.

**2.2. Claims and Provisions**

2.2.1 Claims on Oil Co-ordination Committee/Government are booked on acceptance in principle thereof. Such Claims and provisions on Pool Accounts are generally booked on the basis on the basis of available instructions/clarifications subject to final adjustments as per separate audit. All other claims are booked on merits.

2.2.2 Outstanding liabilities for imported crude oil and products are provided at the exchange rate prevailing at the year end, except in case of payment made upto 30th April, where the liability is provided at actuals.

**3. PROFIT AND LOSS ACCOUNT:****3.1 Sales**

Sales proceeds include excise duty, pool surcharges and other elements allowed by Government from time to time.

**3.2 Classification of Expenditure/Income**

3.2.1 Income and expenditure upto Rs. 1 lakh in each case pertaining to prior years is charged to the current year.

3.2.2 Pre-paid expenses upto Rs. 10,000/- in each case are charged to revenue.

A.J.A. TAURO  
Chairman

T.K. SINHA  
Managing Director  
(Refineries &  
Pipelines)

M.S. RANA  
Director  
(Marketing)

D.B. PURI  
Secretary

New Delhi, 18th August, 1983.

**BALANCE SHEET AS AT 31ST MARCH, 1983**

	Schedule	Rupees (in lakh)	Rupees (in lakh)	1982 Rupees (in lakh)
<b>FUNDS EMPLOYED:</b>				
1. Share Capital	'A'	12,326.58		12,326.58
2. Reserves and Surplus	'B'	<u>57,160.67</u>		<u>47,201.75</u>
3. Total Shareholders' Funds			69,487.25	<u>59,528.33</u>
4. Loans:				
(a) Secured	'C'	26,654.15		43,326.33
(b) Unsecured	'D'	<u>29,616.58</u>		<u>27,134.65</u>
			<u>56,270.73</u>	<u>70,460.98</u>
5. Total Funds Employed			<u>1,25,757.98</u>	<u>1,29,989.31</u>
<b>APPLICATION OF FUNDS:</b>				
6. Fixed Assets:				
(a) Gross Block	'E'	1,17,264.17		89,259.01
(b) Less: Depreciation		<u>49,462.79</u>		<u>39,091.83</u>
		67,801.38		50,167.18
(c) Construction Work-in- Progress and Capital Gods in Stock	'F'	<u>17,946.59</u>		<u>31,319.29</u>
			85,747.97	81,486.47
7. Investments	'G'		45.10	45.19
8. Current Assets, Loans and Advances:				
A. Current Assets:				
(a) Interest accrued on Investments		0.31		0.45
(b) Inventories	'H'	1,07,513.59		1,02,408.59
(c) Book Debts	'I'	31,542.97		35,432.22
(c) Cash Balances:				
Cash including Imprest and Cheques in hand		1,894.62		1,497.33
(i) With Scheduled Banks:				
(a) On Current Account		137.66		232.20
(b) On Fixed Deposit Account		16.34		18.22
(c) On Deposit Account under the Companies (Surcharge on Income-Tax) Scheme, 1976		—		258.37
(d) On Blocked Account (including on Fixed Deposit Account Rs. 10.91 lakhs — 1982: Rs. 47.05 lakhs)		14.46		48.67
(ii) With Post Office:				
On Savings Account		0.04		0.04
B. Loans and Advances	'J'	<u>35,066.19</u>		<u>21,690.14</u>
C/F		1,76,186.18		1,61,587.23
Carried Forward			<u>85,793.07</u>	<u>81,531.66</u>



**BALANCE SHEET AS AT 31ST MARCH, 1983**

	Schedule	Rupees (in lakh)	Rupees (in lakh)	1982 Rupees (in lakh)
Brought Forward			85,793.18	81,531.66
B/F		1,76,186.18		1,61,587.23
9. Less: Current Liabilities and Provisions	'K'	1,36,221.27		1,13,129.58
10. Net Current Assets:				
(Working Capital)—(8) minus (9)			39,964.91	48,457.65
TOTAL :			1,25,757.98	1,29,989.31
11. Contingent Liabilities not provided for (Refer Schedule 'P'—Note-1)				
12. Notes forming part of Accounts	'P'			

A.J.A. TAURO  
Chairman

T.K. SINHA  
Managing Director  
(Refineries & Pipelines)

M.S. RANA  
Director  
(Marketing)

D.B. PURI  
Secretary

As per our Report attached.

For RAY & RAY  
Chartered Accountants

For FORD, RHODES, PARKS & CO.  
Chartered Accountants

S.C. SAHA  
Partner

G. R. PRADHAN  
Partner

New Delhi, 18th August, 1983.

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1983**

	Rupees (in lakh)	Rupees (in lakh)	1982 Rupees (in lakh)
<b>INCOME:</b>			
1. (i) Sale of Products and Crude and Transfers under Product Exchange	9,79,186.44		7,94,399.17
(ii) Less: Commission and Discounts	503.67		394.46
	<u>9,78,682.77</u>		<u>7,94,004.71</u>
2. Company's use of own oil	2,445.33		2,090.47
	<u>2,445.33</u>	9,81,128.10	<u>7,96,095.18</u>
3. Recovery of Main Installation and Other Charges		250.70	132.21
4. Increases in Stocks:			
Closing Stock as on 31st March, 1983:			43,684.92
Finished Products	63,004.17		
Stock-in-Process	6,842.46		5,633.89
	<u>69,846.46</u>		<u>49,318.81</u>
Less: Opening Stock as on 1st April, 1982:			
Finished Products	43,684.92		36,419.04
Adjustments in respect of Opening Stock of Finished Products	1.98		0.42
Stock-in-Process	5,633.89		3,105.71
	<u>49,320.79</u>		<u>39,525.17</u>
		20,525.84	9,793.64
5. Interest:			
(i) On Advances	188.24		978.74
(ii) On Deposit under the Companies (Surcharges on Income-Tax) Scheme, 1976	—		15.71
(iii) On Short Term Deposits	1.84		1.80
(iv) On Post Office Saving Bank Account	0.01		0.01
(v) From Customers on Outstandings	831.33		1,240.11
	<u>831.33</u>	1,021.42	<u>2,236.37</u>
6. Other Income (Schedule 'L')		1,265.90	814.26
7. Provision for Doubtful Debts, Advances and Claims written back		88.08	137.85
8. Recovery under an Award		755.41	725.31
		<u>755.41</u>	<u>725.31</u>
<b>TOTAL INCOME:</b>		<u>10,05,035.45</u>	<u>8,09,934.82</u>
<b>EXPENDITURE:</b>			
1. Purchase of Products and Crude for resale and Transfers under Product Exchange		4,84,917.96	3,98,926.38
2. Manufacturing, Administration, Selling and Other Expenses (Schedule 'M')		3,82,302.29	2,93,745.85
3. Duties		1,05,673.12	93,246.80
4. Depreciation and Amortisation		10,128.86	7,433.39
		<u>10,128.86</u>	<u>7,433.39</u>
Carried Forward		9,83,022.23	7,93,352.42

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1983  
(Contd.)**

		1982	1982
		Rupees (in lakh)	Rupees (in lakh)
EXPENDITURE (Contd.)	Brought Forward	9,83,022.23	7,93,352.42
5. Main Installation charges paid to Other Companies		109.99	102.95
6. Interest:			
(i) On Government Loan for Fixed Period	1,049.35		1,190.17
(ii) On loan from Oil Industry Development Board	1,139.56		965.61
(iii) On Foreign Credit for fixed period	0.55		2.10
(iv) On Public Deposits	678.27		306.66
(v) Others (including rs. Nil—1982: Rs. 522.89 lakhs on loan from Life Insurance Corporation of India and Rs. 9.30 lakhs— 1982: Rs. 85.25 lakhs on loan from Rashtriya Chemicals and Fertilizers Limited)	4,914.57		7,957.14
		<u>7,782.30</u>	<u>10,421.68</u>
		9,90,914.52	8,03,877.05
7. Less:			
(i) Amount transferred to Construction period expenses pending allocation	958.49		2,010.92
(ii) Expenses transferred to Manufacturing of drums	87.79		84.51
		<u>1,046.28</u>	<u>2,095.43</u>
	TOTAL EXPENDITURE:	<u>9,89,868.24</u>	<u>8,01,781.62</u>
8. Profit for the year before tax		15,167.21	8,153.20
9. Less: Expenses relating to previous years (Net) Schedule 'O')		159.64	(3,249.89)
10. PROFIT BEFORE TAX		15,007.57	11,403.09
11. Provision for taxation	3,750.00		1,400.00
12. Less: Excess provision for taxation in respect of previous years' completed assessments	427.07		650.00
		<u>3,322.93</u>	<u>750.00</u>
13. PROFIT AFTER TAX		11,684.64	10,653.09
14. Development Rebate Reserve written back		301.16	211.39
15. Balance brought forward from last years' Account		0.79	0.42
16. DISPOSABLE PROFIT		<u>11,986.59</u>	<u>10,864.90</u>
<b>APPROPRIATIONS:</b>			
17. Proposed Dividend		1,725.72	1,725.72
18. Investment Allowance Reserve		4,150.00	3,100.00
19. Insurance Reserve Account		10.00	10.00
20. General Reserve		6,100.00	6,028.39
21. BALANCE CARRIED TO BALANCE SHEET		0.87	0.79
	TOTAL:	<u>11,986.59</u>	<u>10,864.90</u>
22. Notes forming part of Accounts (Schedule 'P')			

A.J.A. TAURO  
Chairman

T.K. SINHA  
Managing Director  
(Refineries & Pipelines)

M.S. RANA  
Director  
(Marketing)

D.B. PURI  
Secretary

As per our Report attached

For Ray & Ray  
Chartered Accountants

S.C. SAHA  
Partner

New Delhi, 18th August, 1983

For FORD, RHODES, PARKS & CO.  
Chartered Accountants

G.R. PRADHAN  
Partner



**SCHEDULE 'A'—SHARE CAPITAL**

	Rupees (in lakhs)	1982 Rupees (in lakhs)
<b>SHARE CAPITAL:</b>		
Authorised:		
15,00,000 Equity Shares of Rs. 1000 each	15,000.00	15,000.00
Issued and Subscribed:		
12,32,658 Equity Shares of Rs. 1000 each fully paid up	12,326.58	12,326.58
Of the above Shares:		
(i) 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 being received in cash		
(ii) 410,836 Shares were allotted as fully paid up Bonus Shares by Capitalisation of Reserve		
TOTAL:	<u>12,326.58</u>	<u>12,326.58</u>

**RESERVES AND SURPLUS**

	Rupees (in lakhs)	Rupees (in lakhs)	1982 Rupees (in lakhs)
<b>RESERVES AND SURPLUS:</b>			
<b>General Reserves:</b>	37,296.53		35,377.00
As per last Account	<u>—</u>		<u>4,108.86</u>
Less: Amount capitalised by issue of fully paid Bonus Shares	37,296.53		31,268.14
Transferred from Profit and Loss Account	<u>6,100.00</u>		<u>6,028.39</u>
		43,396.53	<u>37,296.53</u>
<b>Insurance Reserve:</b>			
As per last Account	60.00		50.00
Transferred from Profit and Loss Account	<u>10.00</u>		<u>10.00</u>
		70.00	<u>60.00</u>
<b>Development Rebate Reserve:</b>			
As per last Account	1,464.43		1,660.00
Add: Amount vested in the Corporation in terms of the Acquisition Act	<u>—</u>		<u>15.82</u>
	1,464.43		1,675.82
Less: Transferred to Profit and Loss Account	<u>301.16</u>		<u>211.39</u>
		1,163.27	<u>1,464.43</u>
<b>Investment Allowance Reserve:</b>			
As per last Account	3,100.00		5,280.00
Less: Utilised for purchase of Machinery transferred to Investment Allowance (Utilised) Reserve	<u>3,100.00</u>		<u>5,280.00</u>
	<u>—</u>		<u>—</u>
Add: Transferred from Profit and Loss Account	<u>4,150.00</u>		<u>3,100.00</u>
		4,150.00	<u>3,100.00</u>
<b>Investment Allowance (Utilised) Reserve:</b>			
As per last Account	5,280.00		—
Transferred from Investment Allowance Reserve	<u>3,100.00</u>		<u>5,280.00</u>
		8,380.00	<u>5,280.00</u>
<b>Profit and Loss Account as per Annexed Account</b>		0.87	0.79
TOTAL:	<u>57,160.67</u>	<u>57,160.67</u>	<u>47,201.75</u>



**SCHEDULE 'C'—SECURED LOANS**

	Rupees (in lakhs)	1982 Rupees (in lakhs)
<b>SECURED LOANS:</b>		
<b>Loans and Advances from Banks</b>	26,157.86	42,576.15
(Secured by hypothecation of inventories, book debts, outstanding monies, recoverable claims, contracts, engagements, etc.)		
Interest accrued and due on above	496.29	750.18
TOTAL:	<u>26,654.15</u>	<u>43,326.33</u>

**SCHEDULE 'D'—UNSECURED LOANS**

	Rupees (in lakhs)	1982 Rupees (in lakhs)
<b>UNSECURED LOANS:</b>		
<b>Others Loans and Advances:</b>		
(i) The Government of India (including Rs. 1,807.62 lakhs— 1982: Rs. 1,807.62 lakhs—due for payment within one year)	9,165.88	10,973.50
(ii) Oil Industry Development Board (including Rs. 1,675.55 lakhs—	14,113.25	12,022.55
(iii) Interest accrued and due on loan from Oil Industry Development Board	—	0.33
(iv) Foreign Credits (including Rs. 4.18 lakhs— 1982; Rs. 21.85 lakhs—due for payment within one year)	4.18	26.03
(v) From Rashtriya Chemicals and Fertilizers Limited	—	1,000.00
(vi) Public Deposits (including Rs. 1,352.83 lakhs—Rs. 1982: Rs. 132.67 lakhs—due for payment within one year)	6,241.98	3,064.80
(vii) Interest accrued and due on Public Deposits	86.57	35.61
(viii) Deferred payment	—	4.81
(ix) Others (including Rs. Nil—1982: Rs. Nil—due for payment within one year)	4.72	7.02
TOTAL:	<u>29,616.58</u>	<u>27,134.65</u>

**SCHEDULE 'E'—FIXED ASSETS**

	Gross Block as at 31st March, 1982 at cost	Additions during the year at cost@	Transfers from construction work-in progress at cost	Transfers, deductions and reclassification at cost
	Rupees (in lakhs)	Rupees (in lakhs)	Rupees (in lakhs)	Rupees (in lakhs)
LAND— Freehold	980.92	57.67	—	(—) 0.16
— Leasehold	222.33	236.30	—	—
— Right of way	70.00	10.76	—	—
BUILDINGS, ROADS, ETC.	5,944.35	207.90	1,723.77	(—) 5.97
PLANT AND MACHINERY	74,750.96	3,853.53	20,688.96	(—) 207.08
TRANSPORT EQUIPMENT	2,210.36	435.74	94.26	(—) 60.22
FURNITURE AND FIXTURES	411.40	93.55	15.38	(—) 3.90
RAILWAY SIDINGS	1,261.24	14.15	135.21	(—) 0.08
DRAINAGE, SEWAGE AND WATER SUPPLY SYSTEM	3,397.39	2.87	709.15	(—) 0.14
SUNDRY ASSETS	10.06	1.27	2.31	(—) 0.07
<b>TOTAL</b>	<b>89,259.01</b>	<b>4,913.74</b>	<b>23,369.04</b>	<b>(—) 277.62</b>
<i>PREVIOUS YEAR</i>	<i>68,871.44</i>	<i>4,348.06</i>	<i>16,473.72</i>	<i>(—) 434.21</i>

@ Includes total assets aggregating Rs. Nil—(1982: Rs. 736.93 lakhs) vested in the Corporation in terms of the Acquisition Act.

Includes Rs. 444.46 lakhs (1982: (—) Rs. 5.69 lakhs) in respect of previous years.

Gross Block as at 31st March, 1983 at cost	Depreciation and Amortisa- tion charged this year*	Total Deprecia- tion and Amori- sation upto 31st March 1983	NET BLOCK	
			As at 31st March, 1983	1982
Rupees (in lakhs)	Rupees (in lakhs)	Rupees (in lakhs)	Rupees (in lakhs)	<i>Rupees (in lakhs)</i>
1,038.43	—	—	1,038.43	980.92
458.63	8.58	29.97	428.66	200.94
80.76	—	—	80.76	70.00
7,870.05	235.40	1,595.74	6,274.31	4,583.01
99,086.37	9,791.15	44,413.21	54,673.16	39,981.75
2,680.14	278.35	1,360.18	1,319.96	1,078.15
516.43	41.98	258.67	257.76	190.98
1,410.52	57.93	292.41	1,118.11	1,026.72
4,109.27	158.63	1,503.99	2,605.28	2,052.01
13,57	1.30	8.62	4.95	2.70
1,17,264.17	10,573.32	49,462.79	67,801.38	50,167.18
89,259.01	7,427.70	39,091.83	50,167.18	

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

	Rupees (in lakhs)	Rupees (in lakhs)	1982 Rupees (in lakhs)
<b>CONSTRUCTION WORK-IN-PROGRESS AND CAPITAL GOODS IN STOCK:</b>			
1. Work-in-progress (at cost) (including unallocated capital expenditure, materials at site and advances for capital expenditure)		10,524.76	20,122.56
2. Capital Stores (at cost) including Rs. 491.39 lakhs lying with Contractors (1982: Rs. 1,321.37 lakhs)		4,952.21	6,705.99
3. Miscellaneous Capital Stores (at or under cost)		28.65	26.95
4. Capital Goods-in-Transit (at cost)		1,597.20	1,450.37
5. Construction period expenses pending allocation:			
Balance as at 1st April, 1982	3,013.42		3,764.62
Less: Adjustment pertaining to previous years			
	7.65		(19.81)
	<u>3,005.77</u>		<u>3,784.43</u>
<i>Add:</i> Expenditure during the year:			
Establishment Charges			
Interest	78.06		269.76
Depreciation	539.97		1,064.97
Others	12.67		14.65
	<u>400.22</u>		<u>704.75</u>
<i>Less:</i> Recoveries			
	4,036.69		5,838.56
	72.43		43.21
	<u>3,964.26</u>		<u>5,795.35</u>
<i>Less:</i> Allocated to assets/Construction work -in-progress during the year.			
	<u>3,120.49</u>		<u>2,781.93</u>
		843.77	3,013.42
TOTAL:		<u>17,946.59</u>	<u>31,319.29</u>



**SCHEDULE 'G'—INVESTMENTS**

	Rupees (in lakhs)	Rupees (in lakhs)	1982 Rupees (in lakhs)
INVESTMENTS AT COST (Unquoted):			
1. In Government Securities (deposited with various bodies)		2.41	2.51
2. Other Investments:			
(a) In International Co-operative			
Petroleum Association—350 Shares of \$ 100 each fully paid and part paid Common Stock of \$ 72.31	2.12		2.12
(b) In Consumers' Co-operative Societies:			
(i) Barauni—250 Equity Shares of Rs. 10 each fully paid in cash— Rs. 2,500 (1982: 2,500)			
(ii) Gauhati—250 Equity Shares of Rs. 10 each fully paid in cash— Rs. 2,500 (1982: 2,500)			
(iii) Haldia—408 Equity Shares of Rs. 10 each fully paid in cash— Rs. 4,080 (1982: 4,080)			
(iv) Mathura—200 Equity Shares of Rs. 10 each fully paid in cash— Rs. 2,000 (1982: 2,000)			
(v) Indian Oil Employees Consumers Co-operative Society Limited, Bombay—700 Equity Shares of Rs. 10 each fully paid in cash— Rs. 1,700 (1982: 1,700)			
(vi) Indian Oil Employees Co-operative Consumers Stores Limited, Madras—700 Equity Shares of Rs. 10 each fully paid in cash— Rs. 7,000 (1982: 7,000)			
(v) Indian Oil Employees Consumers Co-operative Society Limited, Bombay—375 Equity Shares of Rs. 10 each fully paid in cash— Rs. 3,750 (1982: 3,750)			
		0.24	0.24
(c) In Co-operative Housing Societies:			
(i) Casa Grande—10 Equity Shares of Rs. 50 each fully paid in cash— Rs. 500 (1982: Rs. 500)			
(ii) Seema Apartments—155 Equity Shares of Rs. 50 each fully paid in cash— Rs. 7,750 (1982: Rs. 7,750)			
(iii) New Silver Home—5 Equity Shares of Rs. 50 each fully paid in cash— Rs. 250 (1982: Rs. 250)			
(iv) The Ruby—5 Equity Shares of Rs. 50 each fully paid in cash— Rs. 250 (1982: Rs. 250)			
(v) Sant Sarupdas—10 Equity Shares of Rs. 50 each fully paid in cash— Rs. 500 (1982: Rs. 500)			
(vi) The Cuffe Parade Ravi Kiran—15 Equity Shares of Rs. 50 each fully paid in cash—Rs. 750 (1982: Rs. 750)			
(vii) Twin Towers Premises—10 Equity Shares of Rs. 50 each fully paid in cash—Rs. 500 (1982: Rs. 500)			
(viii) Nensey—5 Equity Shares of Rs. 50 each fully paid in cash— Rs. 250 (1982: Rs. 250)			
(ix) Bandra Amar Jiwan—10 Equity Shares of Rs. 50 each fully paid in cash— Rs. 500 (1982: Rs. 500)			
C/F		2.36	2.36
Carried Forward		2.41	2.51



SCHEDULE 'G'—INVESTMENTS (Contd.)

	Rupees (in lakhs)	Rupees (in lakhs)	1982 Rupees (in lakhs)
Brought Forward		2.41	2.51
B/F	2.36		2.36
(x) Florida Apartments — 5 Equity Shares of Rs. 50 each fully paid in cash— Rs. 250 (1982: Rs. 250)			
(xi) The Garden Colony No. 2—5 Equity Shares of Rs. 50 each fully paid in cash — Rs. 250 (1982: Rs. 250)			
(xii) Mount Unique—10 Equity Shares of Rs. 50 each fully paid in cash — Rs. 500 (1982: Rs. 500)			
(xiii) Rashmi—11 (1982: 6) Equity Shares of Rs. 50 each fully paid in cash — Rs. 550 (1982: Rs. 550)			
(xiv) The Sagar Darshan—5 Equity Shares of Rs. 50 each fully paid in cash — Rs. 250 (1982: Rs. 250)			
(xv) The Venus — 5 Equity Shares of Rs. 50 each fully paid in cash — Rs. 250 (1982: Rs. 250)			
(xvi) Pradeep Kumar — 5 Equity Shares of Rs. 50 each fully paid in cash — Rs. 250 (1982: Rs. 250)			
(xvii) Moon Villa — 5 Equity Shares of Rs. 50 each fully paid in cash — Rs. 250 (1982: Rs. 250)			
(xviii) Shri Trimurthy — 360 Equity Shares of Rs. 50 each fully paid in cash — Rs. 1,800 (1982: Rs. 1,800)			
(xix) Gym View — 5 Equity Shares of Rs. 50 each fully paid in cash — Rs. 250 (1982: Rs. 250)			
(xx) Santacruz Mansion — 5 Equity Shares of Rs. 50 each fully paid in cash — Rs. 250 (1982: Rs. 250)			
(xxi) Shanti Niketan Rabindra — 5 Equity Shares of Rs. 50 each fully paid in cash — Rs. 250 (1982: Rs. 250)			
(xxii) Maheshwar Ganga — 5 Equity Shares of Rs. 50 each fully paid in cash — Rs. 250 (1982: Rs. Nil)			
	0.33		0.32
		2.69	2.68
3. In Subsidiary Companies:			
(i) Indian Oil Blending Limited — 8000 Equity Shares of Rs. 500 each fully paid in cash — Rs. 40,00,000 (1982: Rs. 40,00,000)			
(ii) India Trading (Holdings) Private Limited — 30 Ordinary Shares of Rs. 1 each fully paid in cash — Rs. 30 (1982: Rs. 30)		40.00	40.00
TOTAL:		45.10	45.19



**SCHEDULE 'H'—INVENTORIES**

	Rupees (in lakh)	Rupees (in lakh)	1982 Rupees (in lakh)
<b>INVENTORIES:</b>			
1. Stores, Spares etc:			
(a) Stores and Spares parts (at or under cost)	9,214.07*		6,717.33*
(b) Stores-in-Transit (at cost)	1,141.80		628.48
(c) Less: Provision	10,355.87		7,345.81
	<u>9.44</u>		<u>9.44</u>
		10,346.43	<u>7,336.37</u>
2. Raw materials (including in-transit Rs. 6,987.78 lakhs— 1982: Rs. 3,484.44 lakhs) (at cost)		27,128.41**	45,550.57**
3. Stock-in-Trade:			
(a) Oil Stock (at cost @ or net realisable value whichever is lower) (including in-transit at cost Rs. 12,199.98 lakhs— 1982: Rs. 2,352.64 lakhs)	63,004.17***		43,684.57**
(b) Stock-in-Process (at or under cost)	<u>6,842.46</u>		<u>5,633.89</u>
		69,846.63	<u>49,318.81</u>
4. Stock of empty Barrels and Tins (at cost or net realisable value whichever is lower)		192.12****	202.84****
		<u>1,07,513.59</u>	<u>1,02,408.59</u>
		<b>TOTAL :</b>	

\* Include stock lying with contractors Rs. 536.93 lakhs (1982; Rs. 500.96 lakhs)

\*\* Includes stock lying with Other Oil Companies on loan Rs. 4,403.34 lakhs (1982; Rs. 21,837.06 lakhs) and with Others Rs. 818.64 lakhs (1982; Rs. 17.46 lakhs)

\*\*\* Includes stock lying with Other Oil Companies on loan Rs. 4,927.70 lakhs (1982; Rs. 2,704.95 lakhs) and with Others Rs. 1,891.29 lakhs (1982; Rs. 671.15 lakhs)

\*\*\*\* Includes stock lying with Others Rs. 24.37 lakhs (1982; Rs. 36.00 lakhs)

@ Cost as determined by Oil Prices Committee and advised by Government from time to time.

**SCHEDULE 'I'—BOOK DEBTS**

	Rupees (in lakhs)	Rupees (in lakhs)	1982 Rupees (in lakhs)
<b>BOOK DEBTS:</b>			
Over six Months:			
(a) Secured Considered Good	3.84		5.35
(b) Unsecured Considered Good	1,231.40		1,605.15
(c) Unsecured Considered Doubtful	<u>488.40</u>		<u>288.74</u>
		1,724.02	<u>1,899.24</u>
Other Debts:			
(a) Secured Considered Good	8.31		6.59
(b) Unsecured Considered Good	30,299.04		33,815.13
(c) Unsecured Considered Doubtful	<u>169.16</u>		<u>1.50</u>
		30,476.51	<u>33,823.22</u>
		32,200.53	<u>35,722.46</u>
Less: Provision for Doubtful Debts		<u>657.56</u>	<u>290.24</u>



**SCHEDULE 'J'—LOANS AND ADVANCES**

	Rupees (in lakhs)	Rupees (in lakhs)	1982 Rupees (in lakhs)
<b>LOANS AND ADVANCES:</b>			
1. Advances recoverable in cash or in kind or for value to be received:			
(a) Secured Considered Good*	1,304.11		1,228.25
(b) Unsecured Considered Good*	20,017.99		9,787.74
(c) Unsecured Considered Doubtful	41.03		47.82
	<u>21,363.13</u>		<u>11,063.81</u>
(d) Less : Provision for Doubtful Advances	<u>41.03</u>		<u>47.82</u>
		21,322.10	<u>11,015.99</u>
2. Claims Recoverable:			
(a) Secured Considered Good	2.02		1.27
(b) Unsecured Considered Good	6,412.19		4,969.04
(c) Unsecured Considered Doubtful	782.57		630.22
	<u>7,196.78</u>		<u>5,600.53</u>
(d) Less: Provision for Doubtful Claims	<u>782.57</u>		<u>630.22</u>
		6,414.21	<u>4,970.31</u>
3. Materials on Loan:			
(a) Secured Considered Good	32.12		37.98
(b) Unsecured Considered Good	11.78		13.23
		43.90	51.21
4. Balance with Customs, Port Trust and Excise Authorities:			
Unsecured Considered Good		868.59	903.92
5. Sundry Deposits (including amount adjustable on receipt of final bills):			
(a) Secured Considered Good	4,180.00		4,206.68
(b) Unsecured Considered Good	2,237.39		542.03
(c) Unsecured Considered Doubtful	50.98		50.69
	<u>6,468.37</u>		4,799.40
	<u>50.98</u>		<u>50.69</u>
		<u>6,417.39</u>	<u>4,748.71</u>
<b>TOTAL :</b>		<u>36,066.19</u>	<u>21,690.14</u>

\* Include :

1. Rs. 1,28,249 (1982: Rs. 1,09,173) due from Director (Maximum Rs. 1,28,249-1982; Rs. 1,09,365)
2. Rs. 31 lakhs (1982 : Rs.12.89 lakhs) due from other officers (maximum Rs. 21.84 lakhs — 1982: Rs. 14.98 lakhs)





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

	Rupees (in lakhs)	Rupees (in lakhs)	1982 Rupees (in lakhs)
<b>MANUFACTURING, ADMINISTRATION, SELLING AND OTHER EXPENSES:</b>			
1. Raw Materials Consumed:			
Opening Balances as on 1st April, 1982	45,550.57		53,709.85
Less: Adjustments to Opening Stock	12.76		66.32
	<u>45,537.81</u>		<u>53,643.53</u>
Add: Purchases	3,14,763.35		2,45,414.36
	<u>3,60,301.16</u>		<u>2,99,057.89</u>
Less: Closing Stock	27,128.41		45,550.57
		<u>3,33,172.75</u>	<u>2,53,507.32</u>
2. Consumption:			
(i) Stores and Spares (including Consumables)	2,065.92		1,600.00
(ii) Packages	5,595.15		5,115.21
		<u>7,661.07</u>	<u>6,715.21</u>
3. Power and Fuel	15,056.29		10,752.28
Less: Fuel of own production	14,146.03		10,237.58
		<u>910.26</u>	<u>514.70</u>
4. Processing Fees, Blending Fees, Royalty and Other Charges		407.08	382.04
5. Provision for renewal of Catalyst		28.32	21.90
6. Repairs and Maintenance:			
(a) Plant and Machinery	2,600.25		2,243.15
(b) Buildings	433.89		292.55
(c) Other	459.33		372.94
		<u>3,493.47</u>	<u>2,908.64</u>
7. Freight and Transportation charges (net of recoveries from Pool Accounts)		22,781.45	19,502.67
8. Payments to and Provision for Employees:			
(a) Salaries, Wages, Bonus etc.	6,621.12		4,802.63
(b) Contribution to Provident and Other Funds	403.12		292.26
(c) Staff Welfare Expenses	697.95		557.88
(d) Gratuity and Ex-Gratia	573.70		527.24
		<u>8,295.89</u>	<u>6,180.01</u>
9. Office Administration, Selling and Other Expenses (Schedule 'N')		5,552.00	4,013.36
TOTAL:		<u><u>3,82,302.29</u></u>	<u><u>2,93,745.85</u></u>



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

	Rupees (in lakhs)	Rupees (in lakhs)	1982 Rupees (in lakhs)
<b>OFFICE ADMINISTRATION, SELLING AND OTHER EXPENSES:</b>			
1. Rent		618.26	395.54
2. Insurance		354.44	278.66
3. Rates and Taxes		218.07	194.38
4. Donations		6.82	7.98
(a) Audit Fees	4.00		4.00
(b) Other Services (for issuing certificates etc.)	0.32		0.45
(c) Out of Pocket expenses	1.94		1.37
		6.26	5.82
6. Travelling and Conveyance		645.00	515.22
7. Communication Expenses		336.27	258.97
8. Printing and Stationery		190.99	179.44
9. Electricity and Water		231.50	166.36
10. Other Expenses		1,590.64*	1,340.86*
11. Bad Debts, Advances and Claims written off		15.78	43.09
12. Loss on Assets sold, lost or written off		14.75	27.38
13. Technical Assistance by Engineers India Limited		255.99	156.62
14. Exchange Fluctuations (Net)		290.12	—
15. Provision for Doubtful Debts, Advances, Claims, Deposits and Stores		601.25	313.82
16. Central Industrial Security Force Expenses		147.49	124.03
17. Pollution Control Expenses		28.07	5.19
<b>TOTAL:</b>		<b>5,552.00</b>	<b>4,013.36</b>

\* Includes Bank Charges Rs. 119.33 lakhs — 1982: Rs. 94.84 lakhs

**SCHEDULE 'O'—EXPENSES/INCOME PERTAINING TO PREVIOUS YEARS**

	Rupees (in lakhs)	Rupees (in lakhs)	1982 Rupees (in lakhs)
<b>INCOME:</b>			
1. (i) Sale of Products and Crude and Transfers under Product Exchange	265.27		1,801.43
(ii) Less: Commission and Discounts	1.35		—
	263.92		1,801.43
2. Company's use of own oil	75.28		(3.68)
		339.20	1,797.75
3. Adjustment in respect of Opening Stock of Finished Products		1.98	0.42
4. Recovery of Main Installation and Other Charges		(4.46)	(9.51)
5. Interest :			
On Advances	154.32		42.56
From Customers on outstandings	58.99		13.22
Others	(3.11)		—
		210.20	55.78
6. Sale of Power and Water		68.70	(2.07)
7. Profit on sale and disposal of Assets		—	(2.84)
8. Miscellaneous Income		28.71	(3.90)
<b>TOTAL INCOME:</b>		<b>644.33</b>	<b>1,835.63</b>



**SCHEDULE 'O'—EXPENSES/INCOME PERTAINING TO PREVIOUS YEARS  
(Contd.)**

	Rupees (in lakhs)	Rupees (in lakhs)	1982 Rupees (in lakhs)
<b>EXPENSES :</b>			
1. Purchases of Products and Crude for resale and Transfers under Product Exchange		(230.23)	(429.47)
2. Raw Materials consumed :			
(i) Adjustment in respect of Opening Stock	12.76		66.32
(ii) Purchases	<u>417.69</u>		<u>(791.13)</u>
		430.45	(724.81)
4. Consumption :			
(i) Stores and Spares (Including Consumables)	9.29		(26.89)
(ii) Packages	<u>(3.99)</u>		<u>1.64</u>
		5.30	<u>(25.25)</u>
4. Repairs and Maintenance:			
(i) Plant and Machinery	(15.58)		6.43
(ii) Others	<u>41.94</u>		<u>0.16</u>
		26.36	<u>6.59</u>
5. Freight and Transportation Charges (net of recoveries from Pool Account)		(9.24)	(276.52)
6. Provision for renewal of Catalyst		6.83	—
7. Payment to and Provision for Employees:			
(i) Salaries, Wages, Bonus etc.	(8.75)		0.84
(ii) Contribution to Provident and Other Funds	2.56		(1.46)
(iii) Gratuity and Ex-Gratia	<u>14.29</u>		<u>(0.06)</u>
		8.10	<u>(0.68)</u>
8. Rent		40.27	14.76
9. Insurance		(0.59)	—
10. Rates and Taxes		—	(20.06)
11. Main Installation Charges paid to Other Oil Companies		—	(5.53)
12. Other Expenses		(20.51)	(10.00)
13. Duties		70.95	(45.32)
14. Depreciation and Amortisation		444.46	(5.69)
15. Interest :			
Others		13.35	127.53
16. Technical Fees		4.39	—
17. Power and Fuel		<u>6.43</u>	<u>—</u>
		796.32	(1,394.45)
18. Amount transferred to construction period expenses pending allocation		<u>(7.65)</u>	<u>(19.81)</u>
<b>TOTAL EXPENSES:</b>		<u>803.97</u>	<u>(1,414.26)</u>
<b>NET INCOME/(EXPENSES):</b>		<u>(159.64)</u>	<u>3,249.89</u>



**SCHEDULE 'P'—NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1983**

1. Contingent Liabilities not provided for:
  - (a) Claims against the Corporation not acknowledged as debts Rs. 6,594.40 lakhs (1982: Rs. 4,610.05 lakhs)  
These include:
    - (i) Rs. 2,979.70 lakhs (1982: Rs. 2,443.62 lakhs) being the demands made by the Central Excise.
    - (ii) Rs. 356.17 lakhs (1982: Rs. 329.37 lakhs) in respect of Sales Tax.
    - (iii) Rs. 959.64 lakhs (1982: Rs. 744.08 lakhs) for which suits have been filed in the Courts or cases are lying with arbitrators, including Rs. 204.07 lakhs (1982: Rs. 204.07 lakhs) towards damages for shortfall and termination of supplies to a customer.  
Interest if any, on some of the claims is unascertainable.
  - (b) Guarantees/Undertakings to banks and others aggregating to Rs. 1,408.88 lakhs (1982: Rs. 3,124.41 lakhs)
  - (c) Bills discounted with Banks Rs. 138.30 lakhs (1982: Rs. 201.34 lakhs)
  - (d) Income Tax, if any, reimbursable to foreign contractors.
2. Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs. 11,023.93 lakhs (1982: Rs. 11,407.39 lakhs)
3. (a) Title Deeds for Land and Residential Apartments of the book value of Rs. 505.15 lakhs (1982: Rs. 270.29 lakhs) as also, Lease and other agreements in respect of certain other lands are pending execution or renewal and are therefore not available for verification.  
(b) Pending the decision of the Government no liability could be determined and provided for in respect of:
  - (i) Claims in respect of land acquired for Mathura Refinery Project.
  - (ii) Additional compensation, if any, payable to the land owners and Government for land earlier acquired.
4. Included amongst stores are some items which are surplus/slow moving and no provision has been made in these accounts towards loss, if any, on their disposal, as the extent thereof cannot be determined.
5. Book Debts include an amount of Rs. 125.36 lakhs (1982: Rs. 54.59 lakhs) towards interest although disputed by a party is considered good by the Management.
6. No credit has been taken for the following inter-alia.
  - (i) Under an award given to the price of RFO/LSHS supplied to Gujarat Electricity Board, the Corporation has received 25 instalments (1982: 21 instalments) totalling Rs. 4,227.47 lakhs (1982: Rs. 3,472.06 lakhs) which accrued became due and receivable upto this year. The credit for the balance amount of Rs. 3,100.89 lakhs (1982: Rs. 3,856.30 lakhs) will be taken on the respective dates when they will accrue, become due and receivable.
    - (ii) Claim for price increase for LSHS supplied to Gujarat Electricity Board pending settlement of dispute.
7. Adjustment for certain inter oil company transaction have been carried out on a provisional basis, pending finalisation of detailed terms and conditions.
8. Value of Assets & Liabilities of Assam Oil Division as on 14-10-1981 continued as per Government of India's letter No. R-44024/7/81-MC dated 17th August, 1982 for which Corporation has approached the Government for issuing a notification under Section 9(i) of Burmah Oil Company (Acquisition of shares of Oil India Limited and of the undertakings in India of Assam Oil Company Limited and the Burmah Oil Company (India Trading) Limited Act, 1981.
9. Remuneration paid or payable to whole time Directors:
 

	1982-83	1981-82
	Rs.	Rs.
(i) Salaries & Allowance	2,73,941	2,61,355
(ii) Contribution to Provident Fund	22,479	16,644
(iii) Gratuity	7,212	18,591
(iv) Other benefits and perquisites	88,623	71,139
Total	<u>3,92,255</u>	<u>3,67,729</u>

In addition, whole time Directors are also allowed the use of Corporation's car for private purpose upto 6,000 KMs per annum on a payment of Rs. 1,200 per annum to be recovered in instalment of Rs. 100 per mensem.
10. Provision for gratuity has been made on the basis of departmental calculations excepting in the case of Assam Oil Division where the same has been made on the basis of actuarial valuation of the previous period.
11. Liabilities on account of Long Term Settlement with staff and productivity linked bonus have been provided on an estimated basis.
12. The Profit & Loss Account includes:
  - (a) Expenditure on Public Relations and Publicity amounting to Rs. 126.46 lakhs (1982: Rs. 73.54 lakhs) which is inclusive of Rs. 19.55 lakhs (1982: Rs. 18.40 lakhs) on account of staff and establishment and Rs. 106.89 lakhs (1982: Rs. 55.14 lakhs) payment to others. The ratio of annual expenditure on Public Relations and Publicity to the annual turnover is 0.00013:1 (1982: 0.00009:1)
  - (b) Entertainment expenses Rs. 6.77 lakhs (1982: Rs. 5.73 lakhs)
13. Statement of Accounting Policies and Schedules 'A' to 'X' to the Balance Sheet and Profit & Loss Account form part of these Accounts.
14. Figures in brackets indicate deductions.
15. Grouping for the purpose of presentation of Accounts has been followed by Assam Oil Division as far as practicable.
16. Previous year's comparative figures have been regrouped to the extent practicable, wherever necessary.



**SCHEDULE 'Q'—LICENSED CAPACITY, INSTALLED CAPACITY AND ACTUAL PRODUCTION**

	<u>PETROLEUM PRODUCTS</u>		<u>LUBRICATING OILS</u>	
	1983 MTS (in lakhs)	1982 MTS (in lakhs)	1983 MTS (in lakhs)	1982 MTS (in lakhs)
1. Licensed Capacity	182.50	182.50	1.70	1.70
2. Installed Capacity*	187.80	187.80	1.40**	1.40**
3. Actual Production	170.89	129.74	1.24	1.04
		2.68@@		0.02@@
4. Product Processed/Manufactured by Others	—	—	1.05	1.05
			1.34	1.43@@

Notes: Licensed capacity of the Refinery is not specified for Assam Oil Division.

\* As certified by the Management and accepted by the auditors without verification.

\*\* Per year operating in two shifts.

@ Cubic Meters.

@@ In Kilo Litres.

**SCHEDULE 'R'—FINISHED PRODUCTS—QUANTITY AND VALUE PARTICULARS—TURNOVER**

	<u>OPENING STOCK</u>			<u>PURCHASES INCLUDING DUTIES</u>		
	<u>QUANTITY</u>		<u>VALUE</u>	<u>QUANTITY</u>		<u>VALUE</u>
	MTs (in lakhs)	KLs (in lakhs)	Rupees (in lakhs)	MTs (in lakhs)	KLs (in lakhs)	Rupees (in lakhs)
<b>1. PETROLEUM PRODUCTS:</b>						
Year ended 31st March, 1983	7.47	12.30	38,266.52	20.47	158.12	3,79,955.09
Year ended 31st March, 1982	6.80	11.43	32,038.73	16.89	150.64	3,38,390.43
<b>2. LUBRICANTS GAS::</b>						
Year ended 31st March, 1983	0.05	0.60	5,418.36	0.02	0.02	635.34
Year ended 31st March, 1982	0.04	0.54	4,380.26	0.04	0.04	832.92
<b>3. OXYGEN OIL:</b>						
Year ended 31st March, 1983	0.01@	—	0.04	—	—	—
Year ended 31st March, 1982	0.01@	—	0.05	—	—	—
<b>4. CRUDE OIL:</b>						
Year ended 31st March, 1983	—	—	—	93.42	—	1,73,254.83
Year ended 31st March, 1982	—	—	—	58.84	—	1,27,494.83
<b>5. BASE OIL AND ADDITIVES:</b>						
Year ended 31st March, 1983	—	—	—	0.45	0.89	5,254.84
Year ended 31st March, 1982	—	—	—	—	0.89	3,505.78
<b>TOTAL:</b>						
	0.01@					
Year ended 31st March, 1983	7.52	12.90	43,684.92	114.36	159.03	5,59,100.10
	0.01@					
Year ended 31st March, 1982	6.84	11.97	36,419.04	75.77	151.57	4,70,223.96

@Cubic Metres.

Note:1. Purchases and Sales exclude adjustments shown under items pertaining to previous years.

2. In view of the physical stocks and the records of drums manufactured as well as purchased being combined, separate information in respect of opening and closing stock of drums manufactured is not feasible.

3. Rs. 0.36 lakh (1982: Rs. 437.50 lakhs) being the reimbursement from C & F Adjustment Account towards additional marketing cost due to Long Term Settlement is included in Sales-Petroleum Products pending clarification.



**WAX/BITUMEN/ASPHALT  
DRUMS**

1983 Nos. (in lakhs)	1982 Nos. (in lakhs)
10.00 0.04 MTs 10.00** 9.49	10.00 0.04 MTs 10.00** 7.71
20.14	17.74

**LUBE OIL DRUMS**

1983 Nos. (in lakhs)	1982 Nos. (in lakhs)
5.00 5.00** 3.31	5.00 5.00** 3.41
1.16	—

**OXYGEN PLANT**

1983 (in lakhs)	1982 (in lakhs)
Not specified 0.84@ 0.38@	Not specified 0.8@ 0.21@
—	—

**SALES**

QUANTITY		VALUE
MTs (in lakhs)	KLs (in lakhs)	Rupees (in lakhs)
63.96	287.85	7,66,228.23
53.30	255.53	6,31,092.63
0.21	3.51	34,309.33
0.22	3.41	32,220.72
0.19@	—	1.38
0.10@	—	0.71
93.42	—	1,73,266.56
58.84	—	1,27,499.80
0.45	0.89	5,380.94
—	0.89	3,585.31
0.19@ 158.04	292.25	9,79,186.44
0.10@ 112.36	259.83	7,94,399.17

**CLOSING STOCK**

QUANTITY		VALUE
MTs (in lakhs)	KLs (in lakhs)	Rupees (in lakhs)
12.41	17.21	57,309.09
7.47	12.30	38,266.52
0.04	0.60	5,695.02
0.05	0.60	5,418.36
0.01@	—	0.06
0.01@	—	0.04
—	—	—
—	—	—
—	—	—
—	—	—
0.01@ 12.45	17.81	63,004.17
7.52	12.90	43,684.92



**SCHEDULE 'S'—CONSUMPTION PARTICULARS OF RAW MATERIALS**

	QUANTITY		VALUE Rupees (in lakhs)	QUANTITY		1982 VALUE Rupees (in lakhs)
	MTs (in lakhs)	KLs (in lakhs)		MTs (in lakhs)	KLs (in lakhs)	
Crude Oil	177.47	—	3,11,718.17	138.56	—	2,32,412.51
Base Oils	0.40	0.69	17,188.59	1.69	1.39	17,429.39
Additives	0.07	0.08	4,265.99	0.05	0.08	3,665.42
Steel Coils and Sheets*	0.43	—	2,548.47	0.35	—	2,004.29
<b>TOTAL :</b>	<b>178.37</b>	<b>0.77</b>	<b>3,35,721.22</b>	<b>140.65</b>	<b>1.47</b>	<b>2,55,511.61</b>

Notes: 1. Additives are not considered as Raw Materials in Refineries Division.

2. Consumption excludes value adjustments, if any shown under items pertaining to the previous years.

3. \*Shown under "Packages Consumed" in the Profit and Loss Account.

**SCHEDULE 'T' — DETAILS OF EMPLOYEES DRAWING NOT LESS THAN RS. 36,000 PER ANNUM OR RS. 3,000 PER MONTH**

		Rupees (in lakhs)	1982 Rupees (in lakhs)
1. Employees employed throughout the year and in receipt of total remuneration not less than Rs. 36,000 per annum:			
Number	2388	580	
(a) Salaries, Wages, Bonus etc.		938.46	217.75
(b) Contribution to Provident Fund/ Family Pension Fund		62.63	14.44
(c) TOTAL (a) + (b)		<u>1001.09</u>	<u>232.19</u>
2. Employees employed of part of the year and in receipt of remuneration not less than Rs. 3,000 per month:			
Number	171	200	
(a) Salaries, Wages, Bonus etc.		23.89	34.60
(b) Gratuity paid		21.91	12.16
(c) Contribution to Provident Fund/Family Pension Fund		1.55	4.11
(d) TOTAL (a) + (b) + (c)		<u>47.35</u>	<u>50.87</u>

Note: The above excludes amounts shown under items pertaining to previous years.

**SCHEDULE 'U' — EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF ROYALTY, KNOW-HOW, PROFESSIONAL AND CONSULTATION FEES INTEREST AND OTHER MATTERS**

	Rupees (in lakhs)	1982 Rupees (in lakhs)
1. Royalty (excluding income-tax) and Technical Service Fees	49.91	20.68
2. Professional consultation fees including Legal expenses	10.92	9.70
3. Interest	1.54	2.37
4. Others	77.00	73.85
TOTAL :	<u>139.37</u>	<u>106.60</u>

**SCHEDULE 'V' — EARNINGS IN FOREIGN EXCHANGE**

	Rupees (in lakhs)	1982 Rupees (in lakhs)
1. Export of Goods calculated on FOB Basis : Export of Petroleum Products	1,45,915.96*	43,701.61*
2. Other Income and Service charges	66.07	0.07
TOTAL :	<u>1,45,982.03</u>	<u>43,701.68</u>

\* Includes Rs. 9,094.901 lakhs (1982: Rs. 8,735.57 lakhs) received in Indian Currency out of repatriable funds of foreign customers and other export sales through, canalising agencies.

**SCHEDULE 'W' — CIF VALUE OF IMPORTED CRUDE OIL/BASE OIL ADDITIVES/STEEL COILS AND SHEETS/SPARE PARTS AND COMPONENTS**

PARTICULARS	1982	
	Rupees (in lakhs)	Rupees (in lakhs)
Crude Oil	1,45,546.27	1,14,224.49
Base Oils	2,499.06	3,269.60
Additives	262.53	140.78
Capital Stores	877.60	832.77
Revenue Stores, Components and Spare Part and Chemicals	547.28	829.70
<b>TOTAL:</b>	<b><u>1,49,732.74</u></b>	<b><u>1,19,297.34</u></b>

**Note:** The above does not include CIF value of imports on behalf of Other Oil Companies.

**SCHEDULE 'X'—CONSUMPTION OF IMPORTED AND INDIGENOUS RAW MATERIALS, STEEL COILS/SHEETS, SPARE PARTS AND COMPONENTS**

	IMPORTED		INDIGENOUS		IMPORTED		INDIGENOUS	
	Value	% to	Value	% to	Value	% to	Value	% to
	Rupees (in lakhs)	total con- sumption	Rupees (in lakhs)	total con- sumption	Rupees (in lakhs)	total con- sumption	Rupees (in lakhs)	total con- sumption
1. Crude Oil	1,24,182.07	40	1,87,536.10	60	87,841.14	38	1,44,571.37	62
2. Base Oils and Additives	5,220.21	24	16,234.37	76	5,733.03	27	15,361.78	73
3. Steel Coils and Sheets* Components and Spare Parts	1,258.29	25	3,874.03	75	1,968.07	48	2,150.65	52
<b>TOTAL :</b>	<b><u>1,30,660.57</u></b>		<b><u>2,07,644.50</u></b>		<b><u>95,542.24</u></b>		<b><u>1,62,083.80</u></b>	

**Note:** Consumption of steel coils and sheets imports through canalising agency has been considered as imported.

\* Shown under Packages consumed in the Profit and Loss Account.



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

	No. of shares	Paid up Value Rupees
1. Shares in the Subsidiary Companies were Registered in the name of the Company and their nominees as indicated:		
As at 31st March, 1983		
Indian Oil Blending Limited	8000	40,00,000
India Trading (Holdings) Private Limited	30	30
	For the Financial year ended 31st March, 1983	Previous Financial year cumulative Total
	Rupees (in lakhs)	Rupees (in lakhs)
2. Net aggregate amount of the Profit of Subsidiary Companies not dealt with in the Company's Accounts so far as they concern the members of the Company are:		
Indian Oil Blending Limited	35.90	127.02
Indian Trading (Holding) Private Limited	Nil	Nil
3. Net aggregate amount of the Profit of the Subsidiary Companies as far as its Profits are dealt with in the Company's Accounts are:		
Indian Oil Blending Limited	4.00	27.11
Indian Trading (Holding) Private Limited	Nil	Nil

A.J.A. TAURO  
Chairman

T.K. SINHA  
Managing Director  
(Refineries & Pipelines)

M.S. RANA  
Director  
(Marketing)

D.B. PURI  
Secretary



**SCHEDULE OF FIXED ASSETS (TOWNSHIP)**

	Gross Block as at 31st March, 1982 at cost	Additions during the year at cost	Transfers from Construction Work-in-pro- gress at cost	'Transfers, Deductions & Reclassifica- tion at cost
	Rupees (in lakhs)	Rupees (in lakhs)	Rupees (in lakhs)	Rupees (in lakhs)
1. LAND — Freehold	109.38	—	—	—
— Leasehold	15.49	1.98	—	—
2. BUILDINGS, ROADS ETC.	2199.81	14.85	410.38	(—) 39.39
3. PLANT AND MACHINERY	74.46	1.00	26.85	(+) 41.86
4. DRAINAGE, SEWAGE AND WATER SUPPLY SYSTEM	225.25	—	21.02	(+) 0.47
5. EQUIPMENT AND APPLIANCES	57.54	4.88	0.02	(—) 0.04
6. FURNITURE AND FIXTURES	28.02	8.03	—	(—) 4.43
7. VEHICLES	60.96	15.38	—	(—) 7.59
8. SUNDRY ASSETS	0.36	0.59	—	—
TOTAL :	2,771.27	46.71	458.27	(—) 9.12
PREVIOUS YEAR :	2,241.23	154.75	373.80	(+) 1.49

Gross Block as at 31st March, 1983 at cost	Depreciation and Amortisation provided during the year	Total Depreciation and Amortisation upto 31st March, 1983	Net Depreciation Block	
			As at 31st March, 1983	1982
Rupees (in lakhs)	Rupees (in lakhs)	Rupees (in lakhs)	Rupees (in lakhs)	Rupees (in lakhs)
109.38	0.02	0.16	109.22	109.24
17.47	0.23	2.11	15.36	13.61
2,585.65	64.06	450.62	2,135.03	1,810.83
144.17	7.38	60.41	83.76	30.99
246.74	10.59	95.68	151.06	140.27
62.40	4.71	32.70	29.70	29.64
31.62	4.00	12.78	18.84	15.54
68.75	8.00	34.14	34.61	27.14
0.95	0.13	0.45	0.50	0.04
3,267.13	99.12	689.05	2,578.08	2,177.30
2,771.27	81.07	593.97	2,177.30	



**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1983 ON PROVISION OF TOWNSHIP, EDUCATION, MEDICAL AND OTHER FACILITIES**

	Rupees (in lakhs)	1982 Rupees (in lakhs)
<b>INCOME:</b>		
1. Recovery of House Rent	50.00	43.58
2. Recovery of Utilities: Power and Water	8.77	9.79
3. Recovery of Transport charges	4.90	3.89
4. Other Recoveries	58.66	33.49
5. Excess of Expenditure over Income	1,239.90	962.90
TOTAL:	<u>1,362.23</u>	<u>1,053.65</u>
<b>EXPENDITURE:</b>		
1. Salaries, Wages and PF Contribution	319.74	240.91
2. Consumable Stores and Medicines	114.23	94.24
3. Subsidies for Social and Cultural Activities	97.14	71.62
4. Repairs and Maintenance	234.41	171.31
5. Interest	185.33	116.18
6. Depreciation	99.12	81.07
7. Miscellaneous Expenses : Taxes, Licence Fees, Insurance etc.	78.02	66.89
8. Utilities: Power and Gas	220.22	203.33
9. Land Rent	5.21	3.05
10. Welfare (School)	1.21	1.21
11. Bus Hire Charges	3.82	2.32
12. Club and Recreation	3.78	1.52
TOTAL:	<u>1,362.23</u>	<u>1,053.65</u>

**Comments of Comptroller and Auditor General of India under Section 619(A) of the Companies Act 1956 on the Accounts of Indian Oil Corporation Limited for the Year ended 31st March 1983 and Replies of the Board of Directors.**

SL. NO.	COMMENTS OF COMPTROLLER & AUDITOR GENERAL OF INDIA	REPLIES OF THE BOARD OF DIRECTORS
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**BALANCE SHEET**

**1. FUNDS EMPLOYED**

**1.2 RESERVES AND SURPLUS —**

**Schedule B— Rs. 57,160.67 lakhs**

A reference is invited to Comptroller and Auditor General of India's Comments No. 1 and 7 on the accounts of the Company for 1981-82.

(a) Schedule B does not exhibit distinctly a capital reserve of Rs. 117.80 lakhs consisting of—

(i) Rs. 105.25 lakhs being the revised retention margin/additional retention margin that accrued to the erstwhile Assam Oil Company for the period prior to its vesting in the company, which should have been exhibited under Capital Reserve.

The income accrued to Assam Oil Division after its vesting on 14-10-1981 with the Corporation and not to erstwhile Assam Oil Company. As stated in Corporation's reply to Comptroller and Auditor General of India's comment NO. 7 on the accounts of the Corporation for the year 1981-82, the rights of the Corporation in regard to vested undertakings came into existence for the first time in 14-10-1981. Hence any income arising out of such rights has been correctly accounted for in that year. This is also in conformity with the legal opinion on the subject.

(ii) Rs. 11.39 lakhs out of Rs.15.82 lakhs of Development Rebate Reserve vested in the Company which was to be taken as Capital Reserve but incorrectly transferred to Profit and Loss Account in 1981-82.

Accounting treatment given by the Corporation is in accordance with the provisions of the Acquisition Act and subsequent Govt. instructions. This is also in conformity with the legal opinion on the subject.

(ii) Rs. 1.16 lakhs out of the balance of Rs. 4.43 lakhs as on 1.4.1982 of the Development Rebate Reserve vested in the Company in terms of Acquisition Act, correctly transferrable to capital reserve, overstating the disposable profits to this extent.

**(b) Development Rebate Reserve — Rs. 1,464.43 lakhs**

Includes balance of Rs. 4.43 lakhs of Development Rebate Reserve (out of Rs. 15.82 lakhs) of the erstwhile Assam Oil Company Limited vested in the Company, which should have been retained as a distinct item and not added to the Development Rebate Reserve created out of the profits of the Indian Oil Corporation.

Separate disclosure of the Development Rebate Reserve pertaining to the acquired company is not required as per law.



## Comments of Comptroller and Auditor General of India and Replies of the Board of the Board of Directors – (Contd.)

### Application of Funds

#### 2.6 Fixed Assets—(C) Construction work-in-progress and Capital goods in stock Schedule F—Rs. 17,946.59 lakhs

This includes lease rent and amortisation charges of Rs. 29.13 lakhs (upto 31st March 1983) on lease-hold land (on which Office Building is under construction) correctly to be charged off to Profit and Loss Account.

These are in the nature of direct expenses for the Building Project and hence capitalised in accordance with the Corporation's Accounting Policy.

### 3. B. Current Assets, Loans and Advances

#### A. Current Assets (d) Cash balance —Cash including imprest and cheques in hand: Rs. 1,894.62 lakhs.

This does not include cheques on hand for Rs. 27.38 lakhs, which has resulted in the overstatement of Sundry Debtors also.

The receipts issued by the receiving location are dated 4th April, 1983 and hence these cheques have been accounted for in the year 1983-84.

### 4. B. Loans and Advances — Schedule J—

#### 2. Claims recoverable—(b) Unsecured considered good—Rs. 6,412.19 lakhs.

This includes Rs. 177.39 lakhs of claims under dispute from 1977 for substandard performance of vessels of a Shipping Company.

The claims are still under discussion with the Shipping Company and adjustments as necessary will be carried out after final settlement.

#### 5. B. Current Assets — Loans and Advances— Less : Current Liabilities and Provisions— Schedule K— Current Liabilities—Sundry Creditors — Rs. 1,02,620.83 lakhs.

(a) Includes a liability of Rs. 149.63 lakhs towards demurrages in case of imports etc., which have been claimed from the pool in anticipation of actual claim from the ship-owners/settlement of negotiations/arbitrations going on for one to five years ie., much in advance of the payments becoming due.

Demurrage on imports has been correctly claimed on accrual basis as per Govt/OCC instructions. Thus, the question of payment of interest does not arise. Adjustments as necessary are carried out on settlement of claims with the ship owners.

(b) Interest on these advance drawals from the Pool which would amount to Rs. 77.06 lakhs due upto 31.3.1983, would also be a liability of the Company to Pool Account.

Adventitious gain due to price revision effective from 11th July 1981 has been surrendered to the Pool Account on provisional basis. Adjustments, if necessary, will be carried out at the time of final surrender based on audited statement. In any case the liability stands provided under the 'Sundry Creditors'.

(c) Rs. 39.57 lakhs representing adventitious gain on the stock of naphtha on account of price revision effective from 11th July 1981 to be surrendered to Pool Account has been in correctly shown as amount due to the Oil Company from whom the stock was purchased.



**COMMENTS OF COMPTROLLER AND AUDITOR-GENERAL OF INDIA AND  
REPLIES OF THE BOARD OF DIRECTORS (CONTD).**

**PROFIT AND LOSS ACCOUNT**

**6. Income — 4. Increase in Stock—Closing  
Stock as on 31st March 1983—Finished  
Products Rs. 63,004.17 lakhs.**

This includes Excise Duty of Rs. 45.23 lakhs in respect of stock of products returnable to other marketing companies taken twice viz. in closing stock and also Sundry debtors, resulting in overstatement of profit by like amount.

Noted

**7. INCOME—6. Other Income—Schedule L—  
7. Miscellaneous Income—Rs. 1,053.20  
lakhs.**

Includes Rs. 4.77 lakhs towards insurance claim, deposit etc. unclaimed by an Oil Company in respect of base oil supplies made in May 1972 and January 1975 under canalising scheme.

In the absence of any claim by the party for more than 8 years, the liability has been rightly reversed by credit to Miscellaneous Income.

**NOTES FORMING PART OF ACCOUNTS**

**8. Schedule 'P'— Contingent Liabilities not  
provided for**

- (a) Claims against the Corporation not acknowledged as debts— Rs. 6,594.40 lakhs.

These include—

**(i)Rs. 2,979.70 lakhs being the de  
mands made by the Central Excise.**

Includes an amount of Rs. 219.24 lakhs representing excise duty on bonded supplies of Aviation Turbine Fuel to foreign going aircraft, recovered from the customers but not paid to the Excise Department during Excise Department during the period from 13-12-1977 to 31-3-1983. There exists a clear liability either to the customer or pool and should have been provided for under Current Liabilities.

No liability exists to the customers nor to the Pool Account as per available instructions.

SARASWATHI R. RAO  
Member, Audit Board & Ex. Officio  
Director of Commercial Audit (P&O)

A.J. A. Tauro  
Chairman  
For and on behalf of the  
Board of Directors

Madras dated the 24th September, 1983

Bombay, 28th September, 1983.



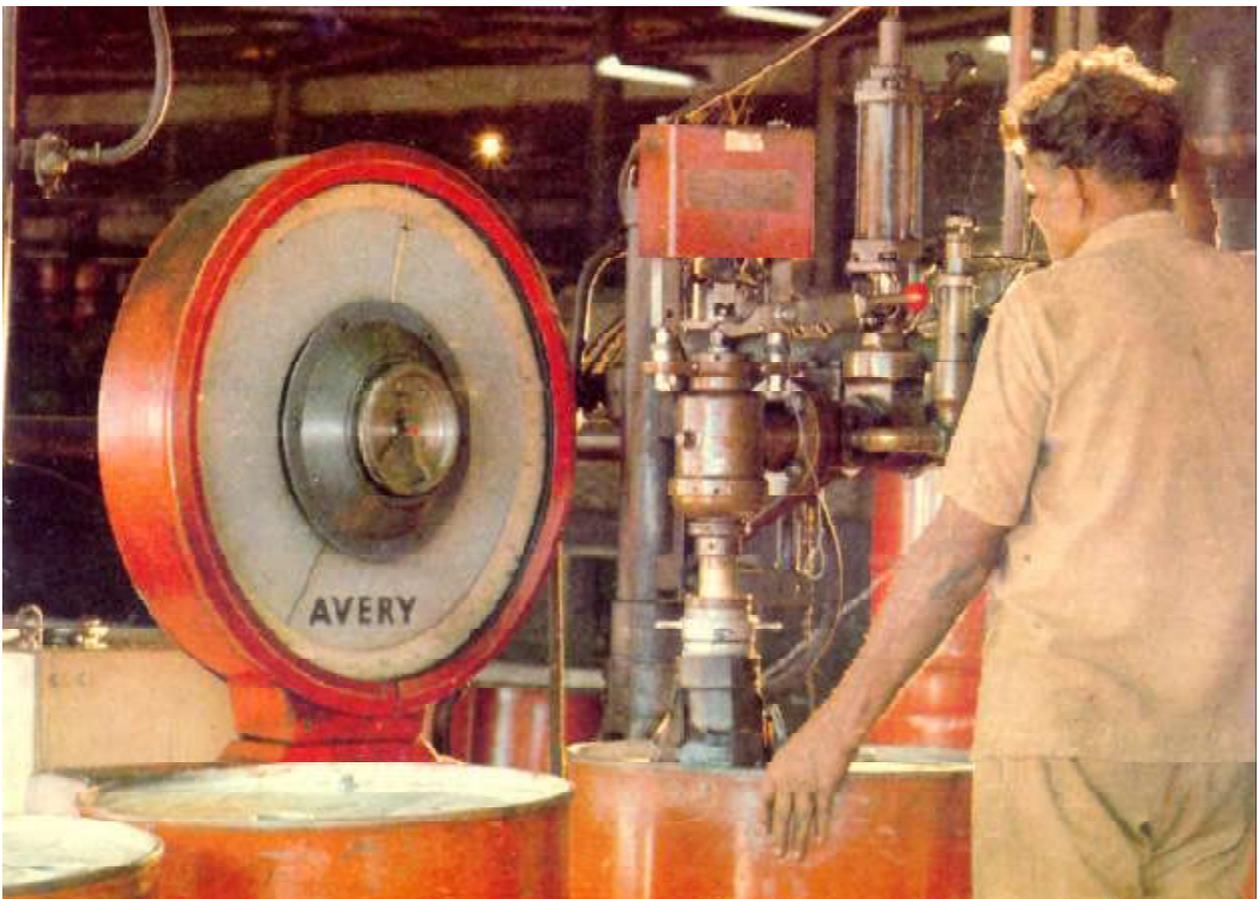
# Indian Oil Blending Limited

*(A Wholly Owned Subsidiary of Indian Oil Corporation Limited)*

**ANNUAL REPORT**

**FOR THE YEAR 1982-83**

*Lubricant filling at an IOBL plant*



## **BOARD OF DIRECTORS**

M.S. Rana	:	<i>Chairman</i>
B.M. Lal	:	<i>Managing Director</i>
G.S. Pandya	:	<i>Financial Director</i>
P.K. Goel	:	<i>Director</i>
P.E. Mathews	:	<i>Director</i>
Indu Vira	:	<i>Director</i>

## **SECRETARY**

J.K. Wadhwa

## **BANKERS**

State Bank of India

## **AUDITORS**

M/s. Patel, Shah & Joshi  
*Chartered Accountants*

Sheel Chambers, 5th Floor,  
10, Cowasji Patel Street Fort,  
Bombay-400 001

## **REGISTERED OFFICE**

Pir Pau, Trombay,  
Bombay-4000 074

## **PLANTS**

Bombay & Calcutta

## NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the Shareholders of INDIAN OIL BLENDING LIMITED will be held on Thursday, the 15th September, 1983, at 12.30 hours at the office of the Indian Oil Corporation Limited, situated at 254-C, Dr. Annie Besant Road, Prabhadevi, Bombay-400 025, to transact the following business :

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet, Profit & Loss Account, reports of the Directors and Auditors thereon for the financial year ended 31st March, 1983.
2. To declare a dividend.
3. To appoint Director and Chairman in place of Shri M. S. Rana, who retires at the conclusion of the Annual General Meeting, and is eligible for re-appointment.
4. To appoint Director and Financial Director in place of Shri G. S. Pandya, who retires at the conclusion of the Annual General Meeting, and is eligible for re-appointment.
5. To appoint Director and Financial Director in place of Shri G.S.Pandya, who retires at the conclusion of the Annual General Meeting, and is eligible for re-appointment.
6. To appoint Director Shri Indu Vira, who retires at the conclusion of the Annual General Meeting, and is eligible for re-appointment.
7. To appoint Director Shri R.K. Narang, who retires at the conclusion of the Annual General Meeting, and is eligible for re-appointment.
8. To appoint Director in place of Shri G.S. Savor, who retires at the conclusion of the Annual General Meeting and is eligible for re-appointment.

By Order of the Board,

(J. K. WADHWA)  
*Secretary*

*Note :* A member of the Company 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.

TO:

ALL MEMBERS OF IOBL,

Cc: M/s. Patel, Shah & Joshi, Chartered Accountants, Bombay.

Cc: Government Auditors, C/o. IOC Ltd., HO, Bombay-400 025.

BOMBAY,

*Dated, the 16th August, 1983.*



# DIRECTORS' REPORT TO THE SHAREHOLDERS

Gentlemen:

I have great pleasure in placing before the Shareholders the 20th Annual Report on the working of the Company for the financial year 1982-83, along with the audited statement of accounts, prepared as per the statutory requirements.

## FINANCIAL RESULTS

During the year, the Company has made a gross profit of Rs. 86,57,198, as against Rs. 65,85,428 during 1981-82. The comparative figures of gross profit, depreciation, provision for taxation, provision for investment allowance, etc. are as under:

	<u>1982-83</u> Rs.	<u>1981-82</u> Rs.
(a) Gross profit before depreciation and investment allowance	86,57,198	65,85,428
(b) Depreciation	22,84,120	18,78,908
(c) Investment allowance	5,83,000	4,04,000
(d) Provision for taxation	27,47,000	23,70,000
(e) Net profit after tax	30,43,078	19,32,520
(f) Prior year adjustments (net)	5,47,420	1,54,460
(g) Disposable profit	35,90,498	20,86,980
(h) Balance from last year's account	2,187	5,207
(i) Net surplus available for distribution	35,92,685	20,92,197
(j) Provision for proposed dividend	4,00,000	4,00,000
(k) Appropriated to General Reserve	31,90,700	16,90,000
(l) Balance carried to Balance Sheet	1,985	2,187

## DIVIDEND AND RESERVES

Your Directors recommend a dividend of Rs. 50 per equity share, aggregating to Rs. 4 lakhs, being 10% of the paid up capital. Necessary provision as also appropriation in the accounts has been made for the payment of dividend in accordance with the statutory requirements.

The balance available from the net surplus, after making the aforesaid provision for dividend, is Rs. 31,91,685. Out of this surplus amount, a sum of Rs. 31,90,700 is transferred to the General Reserve, thereby leaving a balance of Rs. 1,985 in the Profit & Loss Account. The balance of General Reserve at the beginning of the year was Rs. 1,27,00,300 and after the current year's transfer of Rs. 31,90,700 as above, the balance in the General Reserve Account amounts to Rs. 1,58,91,000 as on 31st March, 1983.

The balance in the Development Rebate Reserve Account at the beginning of the year was Rs. 3,49,711. An amount of Rs. 1,63,000 is being written back to Profit & Loss Account upon becoming free for release after the statutory period of eight years, thus leaving a balance of Rs. 1,86,711 in this account as on 31st March, 1983.

The balance in the Investment Allowance Reserve Account at the beginning of the year was Rs. 13,72,000. After this year's transfer of Rs. 5,83,000, the balance in this account as on 31st March, 1983, amounts to Rs. 19,55,000.

## PROFITABILITY

The rates of blending fee were revised upward with effect from 1st April, 1982 and, as a result thereof, in spite of a slight decrease in the throughput, the blending and manufacturing fees received by your Company (net of stock losses) amounted to Rs. 3.06 crores during the year, as against Rs. 2.65 crores during the last year. Concerted efforts were made to control the operating expenses and, therefore, despite inflationary pressures, the operating expenses, including interest, increased only by 10.5% from Rs. 201.22 lakhs in the last year to Rs. 222.61 lakhs during the year 1982-83. The increase in the operating costs was mainly on account of increase in salaries, wages and employee welfare expenses to the extent of Rs. 20.42 lakhs and utilities (power, fuel, water, etc.) to the extent of Rs. 4.85 lakhs. However, there was a decrease in material handling cost (forklift truck expenses) to the extent of Rs. 2.62 lakhs and repairs and maintenance cost to the extent of Rs. 1.78 lakhs.

## OPERATIONS

*Lubes:* During the year under review, the Bombay Plant had a throughput of 1,40,651 KL, as against



1,56,210 KL of lubes during the previous year. The Calcutta Plant had a throughput of 1,07,841 KL, as against 1,05,864 KL during the preceding year. The total throughput of lubes at Bombay and Calcutta Plants was 2,48,492 KL as against 2,62,074 KL during the previous year. The shortfall in the throughput of lubes is on account of lower requirements. The two Plants of your Company are, however, equipped to show better results, if there is adequate demand.

**Greases:** The Grease Plant at Bombay produced 5,874 MT of greases during the year, as against 5,858 MT during the previous year, thus showing a marginal increase, despite the shut down of the Grease Plant from 1st to 6th January, 1983, due to a cable fault.

There was an unfortunate fire in the Furnace of the Grease Plant at Bombay on 13th April, 1983. The fire was extinguished within a short time. Necessary repairs were carried out and the production of grease, which had been affected, has started in full swing in June, 1983. Safety measures have been further strengthened to avoid such recurrence. The measures include construction of an underground RCC water storage tank of 40,000 gallons capacity for fire fighting purposes.

## PROJECTS

### Bombay Plant

- 1. New Grease Kettle:** The grease kettle fabricated by M/s. DeSmet India Private Ltd. has been commissioned during December, 1982, to augment production of greases.
- 2. Weigh Bridge:** A 30 MT capacity Weigh Bridge has been installed during the year. This will facilitate the Plant to exercise strict control on physical measurement of bulk and packed products.
- 3. Conversion of two Nos. FP tanks into Blending Tanks:** Two Nos. existing finished product tanks, viz. FP-4 and FP-5, are being converted into Blending Tanks to augment blending facilities and nearly 50% of the job has been completed.
- 4. Small Volume Grease manufacturing facilities:** Two Nos. small kettles—one of 50 Kg. and the other of 200 Kg. capacity are being installed along with the existing scaponification vessel for manufacturing small volume greases for supplies to Defence, development of greases and process of small batches for trials.

### Calcutta Plant

- 1. Weigh Bridge:** A 30 MT capacity Weigh Bridge has been installed at Calcutta Plant during the year.
- 2. One No. Forklift Truck:** A two tonne capacity Voltas make forklift truck was procured during the year to take care of increased load in the filling and despatch of drums/small containers.
- 3. Tank Lorry filling lines:** Two Nos. additional 3" MS pipeline were laid from the Blending area to the tank filling shed. One of these lines is used exclusively for transfer of Cutting Oils and the other for easily demulsifiable oils. The facility has eliminated the possibility of contamination of products being despatched thru tank lorries and has also increased the movements of critical grades in bulk to Steel Plants.

## QUALITY CONTROL & DEVELOPMENT

During the year, the Company imported and commissioned Atomic Absorption Spectrophotometer Model 4000 for trace metal analysis and air release test apparatus for testing Turbine Oils. Various grades of oils and greases like Servo 2T Supreme, Servo Super Multi-grade 20W-40, Servo RR-409, Servo Super Extra-40-A (substitute for Somentor 60), IOC Roel 280, IOC Roel 320, Servo RP 330, Servo Steerol C2, Servopride Multi-grade 20W-40, Servopress T-46, Grease Ciatim 201, Servogem XC-271 and Servo Grease RR3 were blended for the first time in the Plant during the year. Development work was also carried out by the Laboratories on Servogorm ARS, Servorex L-1, OMHB and Orchard Spray Oil. Quality control and development work in the laboratories of the Company are given the utmost importance and continuous review of slow moving/ obsolete additives and off-specification products is made.

## PERSONNEL & INDUSTRIAL RELATIONS

The industrial relations during the year were cordial at both the Plants. In September, 1982, the Management had given recognition to IOBL Employees' Union at Calcutta. In line with the policy of the Holding Company, the pay scales of the Officers were revised with effect from August, 1982. The earlier agreement having expired in April, 1982, negotiations are in progress with the Unions for signing a Long Term Agreement.



The total number of employees of the Company as on 31st March, 1983, was 527 (95 officers and 432 workmen), as against 530 as on 31st March, 1982.

### WELFARE OF WEAKER SECTION

The directives received from the Government from time to time regarding employment of candidates belonging to reserved categories, such as Scheduled Castes/Scheduled Tribes/ Ex-servicemen, were fully implemented. Various facilities like relaxation in age and qualifications are given to SC/ST candidates for appointment in the Company. SC/ST candidates are required to pay reduced postal order value, while applying for vacant positions in the Company. Internal promotions are also made, keeping in view the vacancies to be reserved for SC/ST candidates. Efforts are being intensified for recruitment of more and more SC/ST candidates.

Vacancies in the Security Department are filled only by recruiting Ex-servicemen. Preference is also given to Ex-servicemen, while filling up vacancies in other Departments.

Workers' participation in management was encouraged by having representatives both from employees and employer on various Committees. The Unions have been approached to nominate their representatives for setting up a 'Unit Council'. The Canteen Committee, Safety Committee and Sports Committee set up with equal participation from Management and Workmen are working satisfactorily. All other matters are settled with the Unions amicably through negotiations.

### PROGRESSIVE USE OF HINDI

The Company is following all the directives and guidelines issued by the Government with regard to Hindi implementation. A Hindi Implementation Committee has been formed and the Committee is holding regular quarterly meetings to review the progress made. Quarterly/half yearly reports are being submitted to appropriate authorities. Letters written or signed in Hindi are replied in Hindi only. A Hindi Workshop was organised at Bombay Plant and was participated by a number of Officers and staff.

### FOREIGN TRAVEL

During the year, no foreign tours have been undertaken by either the Chief Executive or other Executives of the Company.

### PARTICULARS OF EMPLOYEES

A statement showing the particulars of employees under the Companies (Particulars of Employees) Rules, 1975, required to be included in the Directors' Report, pursuant to Section 217(2A) of the Companies Act, 1956 is enclosed.

### DIRECTORS

During the year under review, S/Shri D. N. Sharma and S. C. Ghose ceased to be the Directors of the Company with effect from 24th January, 1983 and, in their place, S/Shri Indu Vira and P. E. Mathews were appointed as Directors of the Company with effect from 25th February, 1983. As such, S/Shri M. S. Rana (Chairman), B. M. Lal (Managing Director), G. S. Pandya (Financial Director), P. K. Goel, Indu Vira and P. E. Mathews are the Directors of the Company. All the Directors, except the Managing Director, whose appointment is for a fixed term, are liable to retire at the conclusion of the next Annual General Meeting, pursuant to Article 157 of the Articles of Association of the Company. and are eligible for re-election.

### ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the excellent work done by the employees during the year, despite various operational constraints, and are confident that they would continue to work hard to achieve better results in the coming years, so as to improve the productivity of the Company further. The Directors also acknowledge with gratification the guidance and support received by the Company from its Holding Company, Indian Oil Corporation Limited, during the year.

For and on behalf of the Board,

Sd/-

M. S. RANA  
Chairman

Encl: Statement

Place: Bombay

Dated: 5th August, 1983.



PATEL, SHAH & JOSHI  
Chartered Accountants.

## REPORT OF THE AUDITORS' TO THE MEMBERS OF INDIAN OIL BLENDING LIMITED

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We have audited the attached Balance Sheet of Indian Oil Blending Limited, as at 31st March, 1983 and the Profit and Loss Account for the year ended on that, date annexed thereto and report that:

1. As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1975 issued by the Company Law Board, in terms of Section 227(4A) of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said Order.
2. Further to our comments in the annexure referred to in para 1 above:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of such books;
  - (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - (d) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit and Loss Account read with notes thereon, particularly Note No. 4 regarding gratuity liability, Note no. 6 regarding audit fees, Note No. 8 regarding provision for bonus, Note No. 9 regarding blending income and Note No. 10 regarding work-in-progress give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view ;
    - (i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 1983;
    - and
    - (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date.

For PATEL, SHAH & JOSHI  
Chartered Accountants

Bombay,  
Dated: 5th August, 1983.

(A. M. MEHTA)  
Partner



## ANNEXURE TO THE AUDITORS' REPORT

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

1. The Company is maintaining proper records show full particulars including quantitative details and situation of Fixed Assets. These Fixed Assets have been physically verified by the Management during the year under review. No discrepancies were noticed on such verification.
2. None of the Fixed Assets have been revalued during the year.
3. The Company has stocks of maintenance stores and spare parts only, which have been physically verified at the end of the year only. We are informed that no significant discrepancies were noticed on such verification as compared to book records. In our opinion, the valuation of these stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in earlier year.
4. The Company has not taken any loans from companies, firms or other parties listed in the registers maintained under Section 301 and 370 (1-C) of the Companies Act, 1956.
5. The loans and advances in the nature of loans have been given to the employees only and the same are being repaid as stipulated except advances amounting to Rs. 10,971/-. As per the information given to us, the amount of Rs. 10,971/- is considered good of recovery. The interest on loans given to the employees for vehicle is accounted for as and when realised. The accrued amount of interest for the year and the amount accumulated till the date of Balance Sheet not provided for in the books of account are approximately Rs. 7,800/- and Rs. 23,200/- respectively.
6. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of stores, components, plant and machinery, equipment and other assets.
7. The Company has purchased at controlled prices fuel and oil exceeding Rs. 10,000/- in value, during the year from Indian Oil Corporation Limited, the Holding Company.
8. As explained to us, the Company has a regular procedure for the determination of unserviceable or damaged stores.
9. The Company has not accepted any deposits from the public.
10. The Company does not have any by-products or scrap arising from its processing operation. Scrap of maintenance stores and components are accounted for only at the time of sale, for which reasonable records have been maintained.
11. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
12. We are informed that the Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956.
13. According to the records of the company, Provident Fund dues have been regularly deposited during the year with the appropriate authorities.

For PATEL, SHAH & JOSHI  
Chartered Accountants,

Bombay,  
Dated: 5th August, 1983.

A. M. MEHTA  
Partner



### **BALANCE SHEET AS AT 31ST MARCH, 1983**

Index

	Schedule No	As at 31st March, 1983 Rupees	As at 31st March, 1982 Rupees
<b>I. SOURCES OF FUNDS:</b>			
(1) Shareholder's Funds:			
(a) Capital	I	40,00,000	40,00,000
(b) Reserves and Surplus	II	1,80,34,696	1,44,24,198
(2) Loans—Funds:			
(a) Unsecured Loans	III	23,84,029	21,89,523
TOTAL		<u>2,44,18,725</u>	<u>2,06,13,721</u>
<b>II. APPLICATION OF FUNDS:</b>			
(1) Fixed Assets:			
(a) Gross Block	IV	3,74,33,254	3,29,07,453
(b) Less: Depreciation	IV	2,05,15,420	1,84,43,558
(c) Net Block	IV	1,69,17,834	1,44,63,895
(d) Capital Work-in-progress	V	2,28,175	16,65,933
		<u>1,71,46,009</u>	<u>1,61,29,828</u>
(2) Current Assets, Loans and Advances:			
(a) Inventories	VI	16,26,308	12,94,883
(b) Sundry Debtors	VI	65,30,909	19,37,799
(c) Cash and Bank Balances	VI	31,138	29,065
(d) Other Current Assets	VI	—	32,580
(e) Loans and Advances	VII	1,02,88,222	92,72,420
		<u>1,84,76,577</u>	<u>1,25,66,747</u>
Less: Current Liabilities and Provisions:			
(a) Current Liabilities	VIII	<u>35,72,861</u>	<u>25,98,854</u>
(b) Provisions	IX	<u>76,31,000</u>	<u>54,84,000</u>
		1,12,03,861	80,82,854
Net Current Assets		<u>72,72,716</u>	<u>44,83,893</u>
TOTAL		<u>2,44,18,725</u>	<u>2,06,13,721</u>
Notes on Balance Sheet and Profit and Loss Account	XII		

M. S. RANA  
Chairman

B. M. LAL  
Managing Director

G. S. PANDYA  
Financial Director

J. K. WADHWA  
Secretary

As per our report attached

For PATEL, SHAH & JOSHI  
Chartered Accountants

Bombay, 5th August, 1983.

A. M. MEHTA  
Partner



**PROFIT AND LOSS ACCOUNT FOR  
THE YEAR ENDED 31ST MARCH, 1983**

	Rupees	For the year ended 31st March, 1983 Rupees	For the year ended 31st March, 1982 Rupees
<b>INCOME:</b>			
Throughput, Blending and Manufacturing Charges		3,05,81,936	2,65,16,945
Interest Earned (Schedule XI)		2,25,124	1,56,030
Miscellaneous Income		53,610	35,812
Profit on sale of assets		75,993	—
	(A)	<u>3,09,36,663</u>	<u>2,67,08,787</u>
<b>EXPENDITURE:</b>			
Operating and other expenses (Schedule X)		2,21,42,253	1,99,73,641
Interest		1,18,863	1,48,8,51
Depreciation		22,84,120	18,78,908
Loss on sale/scraping etc. of assets		18,349	867
	(B)	<u>2,45,63,585</u>	<u>2,20,02,267</u>
Profit before taxation	(A)-(B)	63,73,078	47,06,520
Less: Investment Allowance Reserve	5,83,000		4,04,000
Provision for taxation	27,47,000		23,70,000
		<u>33,30,000</u>	<u>27,74,000</u>
Net Profit for the year after taxation		30,43,078	19,32,520
Less: Expenses of earlier year		—	36,570
		30,43,078	18,95,950
<b>Add: Excess Provision of earlier years :</b>			
For Expenses	43,803		56,650
For Taxation	2,26,783		—
		<u>2,70,586</u>	<u>56,650</u>
Add: Income-tax Refund for earlier years	1,13,834	33,13,664	—
Development Rebate Reserve no longer statutorily required, now reversed	1,63,000		1,34,380
		<u>2,76,834</u>	<u>1,34,380</u>
<b>DISPOSABLE PROFIT:</b>		35,90,498	20,86,980
Balance as per last account		2,187	5,207
		<u>35,92,685</u>	<u>20,92,187</u>
<b>APPROPRIATIONS:</b>			
Proposed Dividend @ 10% (subject to deduction of Income tax)	4,00,000		4,00,000
Proposed transfer to General Reserve	31,90,700		16,90,000
		<u>35,90,700</u>	<u>20,90,000</u>
Balance carried to Balance Sheet		1,985	2,187

M. S. RANA  
Chairman

B. M. LAL  
Managing Director

G. S. PANDYA  
Financial Director

J. K. WADHWA  
Secretary

As per our report attached  
For PATEL, SHAH & JOSHI  
Chartered Accountants

Bombay, 5th August, 1983.

A. M. MEHTA  
Partner



# INDIAN OIL BLENDING LIMITED

## SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 1983

### SCHEDULE I-SHARE CAPITAL

	As at 31st March, 1983 Rupees	As at 31st March, 1982 Rupees
<b>SHARE CAPITAL:</b>		
<b>Authorised:</b>		
8,000 Equity Shares of Rs. 500/- each	40,00,000	40,00,000
<b>Issued and Subscribed:</b>		
8,000 Equity Shares of Rs. 500/- each, fully paid-up (entire share capital is held by Indian Oil Corporation Limited, the Holding Company)	40,00,000	40,00,000
TOTAL:	40,00,000	40,00,000

### SCHEDULE II-RESERVES AND SURPLUS

	Rupees	As at 31st March, 1983 Rupees	As at 31st March, 1982 Rupees
<b>RESERVES AND SURPLUS:</b>			
<b>1. Development Rebate Reserve:</b>			
Balance as per last Balance Sheet	3,49,711		4,84,091
Less: Transferred to Profit & Loss Account	1,63,000		1,34,380
		1,86,711	3,49,711
<b>2. Investment Allowance Reserve:</b>			
Balance as per last Balance Sheet	13,72,000		9,68,000
Add: Provided this year	5,83,000		4,04,000
		19,55,000	13,72,000
<b>3. General Reserve:</b>			
Balance as per last Balance Sheet	1,27,00,300		1,10,10,300
Add: Proposed transfer from Profit & Loss Account	31,90,700		16,90,000
		1,58,91,000	1,27,00,300
<b>4. Profit and Loss Account:</b>			
Balance as per annexed account		1,985	2,187
TOTAL:		1,80,34,696	1,44,24,198

### SCHEDULE III-UNSECURED LOAN

	Rupees	As at 31st March, 1983 Rupees	As at 31st March, 1982 Rupees
<b>UNSECURED LOAN:</b>			
<b>Short Term Loans and Advances:</b>			
Cash Credit from State Bank of India, guaranteed by Indian Oil Corporation Ltd., the Holding Company		23,84,029	21,89,523



## SCHEDULE IV-FIXED ASSETS

ASSETS	GROSS BLOCK AT COST			
	As on 1-4-82 Rupees	Additions Rupees	Deductions Rupees	As on 31-3-83 Rupees
BUILDINGS (ON LEASEHOLD LAND)	81,16,585	2,91,707	11,760	83,96,532
RAILWAY SIDING	2,73,039	—	—	2,73,039
PLANT AND MACHINERY	1,90,25,874	31,08,310	19,239	2,21,14,945
FURNITURE, FIXTURES & OFFICE EQUIPMENT	18,59,715	2,85,311	54,029	20,90,997
FORKLIFT TRUCKS	26,57,464	3,23,820	1,33,617	28,47,667
MOTOR VEHICLES	3,18,143	—	24,297	2,93,846
RESEARCH AND DEVELOPMENT:				
BUILDING (ON LEASEHOLD LAND)	26,483	—	—	26,483
PLANT AND MACHINERY	6,30,150	7,59,595	—	13,89,745
<b>TOTAL THIS YEAR</b>	<b>3,29,07,453</b>	<b>47,68,743</b>	<b>2,42,942</b>	<b>3,74,33,254</b>
<i>TOTAL PREVIOUS YEAR</i>	<i>2,78,87,170</i>	<i>50,21,935</i>	<i>1,592</i>	<i>3,29,07,453</i>

DEPRECIATION			NET BLOCK		
Upto 31-3-82 Rupees	Deductions/ adjustment for earlier year Rupees	For the year Rupees	Upto 31-3-83 Rupees	As on 31-3-83 Rupees	As on 31-3-82 Rupees
27,10,146	2,453	3,29,129	30,36,822	53,59,710	54,06,439
2,21,690	—	5,135	2,26,825	46,214	51,349
1,21,16,150	17,498	13,48,399	1,34,47,051	86,67,894	69,09,724
9,93,705	45,015	1,43,768	10,92,458	9,98,539	8,66,010
19,08,147	1,25,605	3,19,537	21,02,079	7,45,588	7,49,317
1,56,848	21,687	31,777	1,68,738	1,27,108	1,61,495
5,923	—	514	6,437	20,046	20,560
3,31,149	—	1,05,861	4,37,010	9,52,735	2,99,001
1,84,43,558	2,12,258	22,84,120	2,05,15,420	1,69,17,834	1,44,63,895
1.65,65,375	725	18,78,908	1,84.43,558	1,44,63,895	1,13,21,735



### SCHEDULE V-CAPITAL WORK-IN-PROGRESS

Index

	As on 1-4-1982 Rupees	Additions during the year Rupees	Transfer during the year Rupees	As on 31-3-1983 Rupees
<b>CAPITAL WORK-IN-PROGRESS</b>				
<b>Assets :</b>				
Plant and Machinery	15,85,122	17,50,825	31,26,195*	2,09,752
Buildings	60,029	2,50,101	2,91,707	18,423
Furniture and Fixtures	20,782	2,64,529	2,85,311	—
TOTAL for this year:	<u>16,65,933</u>	<u>22,65,455</u>	<u>37,03,213</u>	<u>2,28,175</u>
TOTAL Previous year :	<u>20,07,049</u>	<u>20,73,171</u>	<u>24,14,287</u>	<u>16,65,933</u>

\* Includes writing off of Rs. 17,885/- to Repairs and Maintenance-Building

### SCHEDULE VI-CURRENT ASSETS

	Rupees	As at 31st March, 1983 Rupees	As at 31st March, 1982 Rupees
<b>CURRENT ASSETS :</b>			
<b>1. Inventories :</b>			
Stores and Spare Parts (at cost as per summarised inventories certified by the Management)		16,26,308	12,94,883
<b>2. Sundry Debtors:</b>			
(Unsecured, Considered Good)			
Due from Indian Oil Corporation Limited, the Holding Company			
(a) Exceeding six months	—		26,524
(b) Other debts	<u>65,30,909</u>		<u>19,11,275</u>
		65,30,909	19,37,799
<b>3. Cash and Bank Balances :</b>			
(a) Cash and Cheques on hand	26,250		26,100
(b) Balance with Schedule Banks in Current Account	<u>4,888</u>		<u>2,965</u>
		31,138	29,065
<b>4. Other Current Assets :</b>			
Interest accrued on Company's Income-tax Surcharge Deposit		—	32,580
TOTAL:		<u>81,88,355</u>	<u>32,94,327</u>



# INDIAN OIL BLENDING LIMITED

## SCHEDULE VII—LOANS AND ADVANCES

Contents

Index

	As at 31st March, 1983 Rupees	As at 31st March 1982 Rupees
<b>LOANS AND ADVANCES:</b>		
(Advances Recoverable in cash or in kind or for value to be received)		
1. Secured, Considered Good	21,72,673	6,94,602
2. Unsecured, Considered Good:		
(a) Interest accrued on Housing Loan	3,64,279	2,11,741
(b) Others	<u>28,60,747</u>	<u>29,41,581</u>
	32,25,026	31,53,322
3. Advance payment of Income-Tax	48,90,523	53,15,896
4. Deposit in respect of surcharge on Income-Tax	—	1,08,600
TOTAL :	<u>1,02,88,222</u>	<u>92,72,420</u>

## SCHEDULE VIII—CURRENT LIABILITIES

	As at 31st March, 1983 Rupees	As at 31st March 1982 Rupees
<b>CURRENT LIABILITIES:</b>		
Sundry Creditors	33,25,041	24,17,087
Other Liabilities	2,47,820	1,81,767
TOTAL:	<u>35,72,861</u>	<u>25,98,854</u>

## SCHEDULE IX—PROVISIONS

	As at 31 st March, 1983 Rupees	As at 31st March 1982 Rupees
<b>PROVISIONS:</b>		
Provisions for taxation	72,31,000	50,84,000
Proposed Dividend	4,00,000	4,00,000
TOTAL:	<u>76,31,000</u>	<u>54,84,000</u>



# INDIAN OIL BLENDING LIMITED

## Contents

### SCHEDULE X-OPERATING AND OTHER EXPENSES

Annexed to and forming part of the Profit & Loss Account for the year ending 31-3-83

## Index

	For the year ending 31st March, 1983 Rupees	For the year ending 31st March, 1982 Rupees
<b>OPERATING AND OTHER EXPENSES:</b>		
Salaries, Wages, Allowances and Bonus (including Rs. 7,57,605/- paid to contractor/casual labour-Previous Year-Rs. 7,27,001/-). Company's contribution to Employees' Provident Fund and other Funds.	1,22,02,072	1,07,09,487
Gratuity	6,94,533	6,25,222
Staff Welfare and Benefits	3,08,169	1,60,136
Fuel, Power and Water Charges	21,26,403	17,93,665
Stores Consumed	30,74,558	25,89,781
Rent	4,94,019	4,78,836
Rates and Taxes	2,78,012	2,74,872
Licence Fees	1,46,232	1,56,637
Material Handling (Forklift Truck) Expenses	32,771	25,545
Equipment Rental	4,63,624	7,26,289
	1,700	1,933
<b>Repairs and Maintenance to :</b>		
Buildings	2,61,001	2,47,035
Plant and Machinery	6,54,859	8,74,438
Railway Siding	1,16,722	1,04,290
Others	2,04,760	1,88,865
	<u>12,37,342</u>	<u>14,14,628</u>
Insurance	48,914	60,231
Travelling and Conveyance	1,70,434	1,51,726
Motor Vehicle Expenses	1,45,919	1,15,836
Printing and Stationery	1,22,251	1,18,791
Postage, Telegrams and Telephones	1,64,155	1,35,093
Freight and Cartage (Outward)	3,697	9,643
Bank Charges	14,814	4,592
Subscription and Membership	5,118	5,483
Advertisements	7,300	3,750
Donations	—	500
Entertainment Expenses	2,724	7,107
Legal and Professional Charges	17,705	44,424
<b>Payment to Auditors :</b>		
Audit Fees	12,000	10,000
Reimbursement of out-of- pocket expenses	4,675	3,999
	<u>16,675</u>	<u>13,999</u>
General Expenses	3,55,660	3,43,474
Inventory differences written-off	7,452	208
Miscellaneous Debit written-off	—	1,753
	<u>2,21,42,253</u>	<u>1,99,73,641</u>
<b>TOTAL:</b>	<u><u>2,21,42,253</u></u>	<u><u>1,99,73,641</u></u>

### SCHEDULE XI-INTEREST EARNED

	For the year ending 31st March, 1983 Rupees	For the year ending 31st March, 1982 Rupees
<b>INTEREST EARNED:</b>		
1. On Housing and other loans	1,64,016	1,45,246
2. On Surcharge Deposit	—	6,516
3. On Income-tax Advance Payments	58,406	—
4. Others	2,702	4,268
	<u>2,25,124</u>	<u>1,56,030</u>
<b>TOTAL:</b>	<u><u>2,25,124</u></u>	<u><u>1,56,030</u></u>



### SCHEDULE XII-NOTES ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-3-1983

1. The Company is contingently liable in respect of the following items

	<i>Previous Year</i>	
	<b>Rupees</b>	<b>Rupees</b>
(i) Claims for Miscellaneous items not acknowledged as debts	1,04,314	1,04,314
(ii) Estimated amounts of contract remaining to be executed on Capital account and not provided for	4,93,096	19,68,832
(iii) Surety given in favour of Government of Kerala, for Purchase tax demanded by Sales Tax Authorities, Kerala, from Indian Oil Corporation Limited	38,80,892	38,80,892

2. The Company's Application for the grant of Tax Credit Certificates under Section 280 ZB of the Income-tax Act, 1961 for the Assessment Years 1969-70 and 1970-71, are pending before the Income-tax Authorities. The estimated value of the Tax Credit Certificates that the company is entitled to and to be accounted for is Rs. 2.00 lakhs.

3. The Managing Director is entitled to use a Motor Car owned by the Company for private purposes upto 6,000 Kms. per year, on payment of Rs. 1,200/- per annum, to be recovered in instalments of Rs. 100/- per mensem.

4. The Company has taken out a Group Gratuity-cum-Life Assurance Policy with the Life Insurance Corporation of India, in the year 1977, for payment of retirement gratuity under Group Gratuity-cum-Life Assurance Scheme of the Corporation. The Insurance Premium paid is debited to Profit and Loss Account. The premium paid has been so adjusted as to cover the liability under the Scheme in respect of all the confirmed employees at the end of their future anticipated service. In the event of any employee leaving the services earlier, the Company has to bear a portion of the Gratuity. No separate provision has been made in the accounts for such liability as it is not ascertainable.

5. Application for increase in installed capacity of grease production is under process with appropriate authorities.

6. A provision of Rs. 12,000/- has been made for audit fees this year as approved by the Board of Directors in their meeting held on 10th July, 1982. The Company Law Board has approved Rs. 10,000/-. The additional amount of Rs. 2,000/- is subject to the approval of the Company Law Board.

7. Gratuity includes gratuity insurance premium Rs. 2,23,895/- (Previous Year Rs. 1,49,661/-) Less recovered Rs. 8,427/- (Previous Year Rs. 8,297/-).

8. The Company has made a provision of Rs. 7,93,474/- for Bonus as per the payment of Bonus Act, 1965. In addition to this amount, a provision of Rs. 6,10,555/- has been made as Productivity Incentive. The Company is of the opinion that this additional amount will be fully allowed and hence the provision for taxation has been made accordingly.

9. The throughput and blending fee shown in the Profit and Loss Account is net after deducting the operation loss amounting to Rs. 2,88,080/-. While revising the blending fee upward in 1981, it was made conditional that any operation loss incurred should be borne by the Company.

10. Rs. 14,143/- in all were spent on construction of a staircase before four years. This amount has been continued to be shown under work-in-progress, as the construction is incomplete and under dispute.

11. The items and amounts in respect of previous year have been re-grouped and re-cast where necessary to make them comparable with those of the current year.

12. Additional information pursuant to Paras 3, 4C and 4D in Part II of Schedule VI, to the Companies Act, 1956:

	<u>Current Year</u>		<u>Previous Year</u>	
	<u>Lubes</u>	<u>Grease</u>	<u>Lubes</u>	<u>Grease</u>
	(KL)	(MT)	(KL)	(MT)
<b>(i) Capacity and Production</b>				
(a) Licensed Capacity	2,50,000	4,536	2,50,000	4,536
(b) Installed Capacity	2,50,000	8,500	2,50,000	4,536
(c) Actual Production	*2,48,492	5,874	2,62,074	5,858

Note: The Company does not produce any goods or purchase any raw materials but processes materials received by it from Indian Oil Corporation Limited. The quantities mentioned above, relate to such processing operations.



### (ii) Turnover (Processing Fees) :

	Current Year	Previous Year
	Rupees	Rupees
(a) Lube Blending — Kilo Litres	*2,48,492	2,62,074
— Rupees	2,48,49,218	2,35,88,192
(b) Grease Mfg. — Metric Tonnes	5,874	5,858
— Rupees	60,20,799	29,28,753

\* Includes 4,524 KLS. (Previous Year: 12,729 KLS.) not blended but back-loaded.

### (iii) Details of Expenditure on certain employees:

(a) Employees employed throughout the year and in respect of remuneration in the aggregate not less than Rs. 36,000/- per annum:		
(i) Number of employees	43	15
(ii) Salaries, Wages & Bonus	18,13,314	6,05,449
(iii) Contribution to PF and other Funds	1,15,663	38,312
(b) Employees employed for part of the year and in respect of remuneration in the aggregate not less than Rs. 3,000/- per month:		
(i) Number of employees	3	1
(ii) Salaries, Wages & Bonus	64,745	41,385
(iii) Contribution to PF and other Funds	3,871	1,880

### (iv) Value of Imports on C.I.F. Basis :

Components and Spare Parts	1,65,833	41,288
Capital Goods	5,10,028	13,000

### (v) Spare Parts Consumed :

	Current Year		Previous Year	
	Value Rupees	percentage of total	Value Rupees	percentage of total
<b>Imported :</b>				
Components & Spare Parts	1,39,734	15.7	67,669	5.9
<b>Indigenous :</b>				
Components & Spare Parts	7,50,900	84.3	10,73,585	94.1

(vi) The Company has not purchased or consumed any raw materials during the year. There are no opening or closing stocks of finished goods. No expenditure has been incurred in foreign currency. Hence, further particulars in respect thereof have not been given.

Signature to Schedules I to XII

M. S. RANA  
Chairman

B. M. LAL  
Managing Director

G. S. PANDYA  
Financial Director

J. K. WADHWHA  
Secretary

As per our report attached  
For PATEL, SHAH & JOSHI  
Chartered Accountants

Bombay, 5th August, 1983.

A. M. MEHTA  
Partner



# INDIAN OIL BLENDING LIMITED

Contents

**COMMENTS OF THE COMPTROLLER AND AUDITOR  
GENERAL OF INDIA, UNDER SECTION 619(4) OF THE  
COMPANIES ACT, 1956, ON THE ACCOUNTS OF INDIAN OIL  
BLENDING LIMITED FOR THE YEAR ENDED 31st MARCH, 1983.**

Index

OFFICE OF THE MEMBER, AUDIT BOARD  
AND EX-OFFICIO DIRECTOR OF  
COMMERCIAL AUDIT (PETROLEUM AND OIL)

Rasheed Mansion,  
622, Anna Salai, Madras-600 006

No. MAB/P&O/R/IOBL-4/82-83/239

Dated 2nd September, 1983

To

*The Managing Director,*  
**Indian Oil Blending Limited,**  
Pir Pau, Trombay,  
BOMBAY-400 074.

Sir,

**Sub:** Comments of Comptroller and Auditor General of India under Section 619(4) of the Companies Act, 1956, on the accounts of Indian Oil Blending Ltd. for the year ended 31st March, 1983.

The Comptroller & Auditor General of India has decided not to review the Report of the Auditors for the year 1982-83 on the accounts of Indian Oil Blending Limited and as such he has no comments to make under Section 619(4) of the Companies Act, 1956.

Yours faithfully,

(Sd). SARASWATHI R. RAO  
Member, Audit Board & Ex-Officio  
Director of Commercial Audit  
(Petroleum & Oil), Madras.



**ANNUAL REPORT  
FOR THE YEAR 1982-83**

**NOTICE**

NOTICE is hereby given that the 34th Annual General Meeting of Shareholders of INDIA TRADING (HOLDINGS) LIMITED will be held on 29th June, 1983 at the Registered Office of the Company at Digboi at 10.00 A.M. to transact the following business :

Ordinary Business

1. To receive, consider and adopt the Balance Sheet, Profit & Loss Account, Report of the Directors and Auditors thereon for the financial year ended 31st December, 1982
2. To consider reappointment of Shri B.N. Dutta who retires at the conclusion of the Annual General Meeting
3. To accept the resignation of Shri U.S. Bagchi as Director
4. To appoint Shri M.C. Borah as a Director of the Company

By Order of the Board

R.K. Murthi

Secretary

Digboi,

the 7th June, 1983

Note : A member of the Company 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



**DIRECTORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED  
31ST DECEMBER, 1982**

As you would be aware your Company was set up with the primary object to act as Trustees of two Provident Funds in respect of employees of erstwhile Assam Oil Company Limited and Oil India Limited and Pension Fund in respect of employees of Oil India Limited.

Consequent upon the vesting of the Trust Fund in the respective successor Companies i.e. Indian Oil Corporation Limited and Oil India Limited as per the provisions of the Burmah Oil Company take over (Acquisition of Shares of Oil India Limited and the undertakings in India of Assam Oil Company Limited and the Burmah Oil Company (India Trading Limited) Act, 1981 (41 of 1981), free from any trust the primary purpose for which the Company was set up no longer subsisted. In view of the above all necessary steps are being taken to wind-up the Company. The workings of these funds have been quite satisfactory during the year. The total cost of Annuity Policies for the employees of Oil India Limited purchased by our Company as Trustee of the Burmah Oil (India) Pension Fund during the year amounted to Rs. 3,85,567.26

As your Company did not have any employees during the year under reference no details of employees particulars as required under Section 217 (2A) have been provided

By Order of the Board of Directors

B.N. Dutta

Chairman

**BALANCE SHEET AS AT 31ST DECEMBER, 1982**

	As at 31st December 1982 Rupees	As at 31st December 1981 Rupees		As at 31st December 1982 Rupees	As at 31st December 1981 Rupees
<b>Liabilities</b>			<b>Assets</b>		
Share Capital			Current Assets, Loans and Advances		
Authorised			Current Assets		
100 Shares of Rs. 1/- each	<u>100.00</u>	<u>100.00</u>	Cash and Bank Balances -		
Issued and subscribed			Cash in hand	30.00	30.00
30 shares of Re. 1/- each fully paid up in cash	30.00	30.00	Cash with Scheduled Bank - On Current Account	<u>73,372.96</u>	<u>73,402.96</u>
Note : (Entire Share Capital is held by Indian Oil Corporation Limited, holding Company)				73,402.96	3,68,204.33
Current Liabilities and Provisions					
Current Liabilities					
Due to Burmah Oil (India) Pension Fund	73,372.96	3,68,204.33			
	<u>73,402.96</u>	<u>3,68,234.33</u>		<u>73,402.96</u>	<u>3,68,234.33</u>

For Ray & Ray  
Chartered Accountants  
S.K.Das Gupta  
Partner

R.K. Murthi  
Secretary

B.N. Dutta  
U.S. Bagchi  
Directors

**AUDITORS' REPORT TO THE MEMBERS OF INDIA TRADING (HOLDINGS) LIMITED**

We report that we have audited the above Balance Sheet and the annexed Profit and Loss Account, which are in agreement with the books of account, and in our opinion and to the best of our information and according to the explanations given to us, such Balance Sheet and Profit and Loss Account give in the prescribed manner the information required by the Companies Act, 1956 and also give respectively a true and fair view of the state of the Company's affairs as at 31st December, 1982 and its operations for the year ended on that date.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for our audit and in our opinion proper books of account have been kept as required by law so far as appears from our examination of these books.

We have not included a statement in this report on the matters specified in paragraph 4 of the manufacturing and others companies (Auditor's Report) order, 1975 as none of these matters is applicable to the company as it had no business activity during the year under review

for Ray & Ray  
Chartered Accountants

Calcutta, Dated 28th June, 1983

S.K. Das Gupta  
Partner



**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST  
DECEMBER, 1982**

	1982 Rupees	1981 Rupees	As at 31st December 1982 Rupees	As at 31st December 1981 Rupees
Note : No trading has taken place during the year under review	Nil	Nil	Nil	Nil
	<u>Nil</u>	<u>Nil</u>	<u>Nil</u>	<u>Nil</u>

For Ray & Ray  
Chartered Accountants  
S.K. Das Gupta  
Partner

R.K. Murthi  
Secretary

B.N. Dutta  
U.S. Bagchi  
Directors

Dated 28th June, 1983

