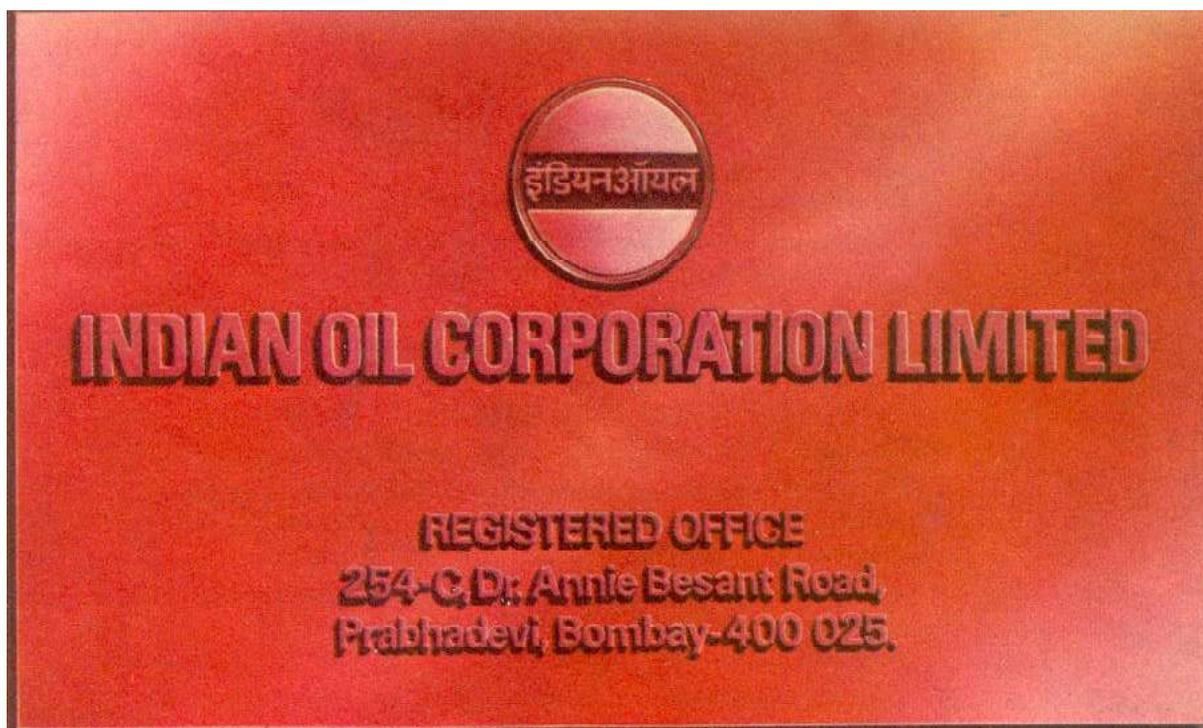


**Into the tiniest homes,
Indianoil brings light.... and hope**



Extract from

Annual Report 1983-84

CONTENTS

	Page
Objectives & Obligations	4
Notice	10
Directors' Report	11
How Funds Generated & Utilised	30
Statement of Added Value	31
A Ten-Year Profile	32
Report of the Auditors	35
Statement of Accounting Policies	37
Balance Sheet	38
Profit & Loss Account	40
Schedules A to O	42
Notes on the Accounts	55
Schedules Q to X	56
Statement relating to Subsidiary Companies	61
Assets—Township	62
Income and Expenditure—Township etc.	64
Comments on the Accounts	65
Annual Report of IOBL	67
India Trading (Holdings) Pvt. Ltd.	86



Indian Oil Corporation Limited

OBJECTIVES AND OBLIGATIONS

Objectives:

- *To serve the national interest in the oil and related sectors in accordance and consistent with Government policies.*
- *To ensure and maintain continuous and smooth supplies of petroleum products by way of crude refining, transportation and marketing activities and to provide appropriate assistance to the consumer to conserve and use petroleum products most efficiently.*
- *To earn a reasonable rate of return on investment.*
- *To work towards the achievement of self-sufficiency in the field of oil refining, by setting up adequate domestic capacity and to build up expertise for pipe laying for crude / petroleum products.*
- *To create a strong research and development base in the field of oil refining and stimulate the development of new petroleum product formulations with a view to minimise / eliminate their imports, if any, and*
- *To maximise utilisation of the existing facilities in order to improve efficiency and increase productivity.*

Obligations:

- **Towards customers and dealers:** *To provide prompt, courteous and efficient service and quality products at fair and reasonable prices.*
- **Towards suppliers:** *To ensure prompt dealings with integrity, impartiality and courtesy and to promote ancillary industries.*
- **Towards employees:**
 - *Develop their capability and advancement through appropriate training and career planning.*
 - *Expeditious redressal of grievances.*
 - *Fair dealings with recognised representatives of employees in pursuance of healthy trade union practice and sound personnel policies in keeping with public sector philosophy.*

Indian Oil Corporation Limited

- **Towards Community:**
 - *To ensure quality products through proper distribution at fair prices to the people.*
 - *To develop techno-economically viable products for the benefit of the people.*
 - *To encourage progressive indigenous manufacture of products and materials so as to substitute imports.*
 - *To avoid and control environmental pollution in its manufacturing plants and townships by taking suitable and effective measures.*
 - *Improve the condition of Schedule Castes/Scheduled Tribes in pursurance of national policies.*
 - *To help acceleration of all round development of villages by providing assistance to educated unemployed to eam a living etc.*

- **Financial Objectives:**
 - *To ensure adequate return on the capital employed and maintain a reasonable annual dividend on its equity capital.*
 - *To ensure maximum economy in expenditure.*
 - *To generate sufficient internal resources for financing partly/wholly expenditure on new capital projects.*
 - *To develop long-term corporate plans to provide adequate growth of the activities of the Corporation.*
 - *To continue to make an effort in bringing a reduction in the cost of production of the petroleum products manufactured by means of systematic cost control measures.*
 - *To endeavour to complete all planned projects within the stipulated time and within the stipulated cost estimates.*



Indian Oil Corporation Limited

INDIANOIL UNITS

CHAIRMAN'S OFFICE

Indianoil Bhavan,
Janpath, New Delhi 110 001.

REFINERIES & PIPELINES DIVISION

HEAD OFFICE

Indianoil Bhavan, Janpath,
New Delhi 110 001.

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, Kastruba Gandhi Marg,
New Delhi 110 001.

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 110 001.

Eastern Regional Office
1, Shakespeare Sarani,
Calcutta 700 071.

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.



Indian Oil Corporation Limited

BOARD OF DIRECTORS

A. J. A. TAURO
Chairman

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

Bimal Kapoor
Director (Personnel)

S.K. Comal
Director (Finance)
(From 8-11-83)

M.S. Rana
Director (Marketing)
(Up to 31-1-84)

B.K. Bakhsi
Director (Marketing)
(From 1-2-84)

Dr. P.K. Mukhopadhyay
Director (R&D)

Nitin Desai

R. Vasudevan

S.L. Khosla

T.N.R. Rao
(From 1-11-83)

K. Padmanabhaiah
(From 16-9-83 to 4-5-84)

Arvind Varma
(From 28-6-84)

D.K. Jain
(From 19-10-83 to 29-6-84)

P.P. Bagchi
(From 19-10-83 to 18-5-84)

D.K. Singh
(From 1-11-83)

H.K. Bandopadhyay
(From 1-11-83)

Dilip Kumar Biswas
(From 21-11-83)

Secretary
D.B. Puri

Indian Oil Corporation Limited

BANKERS

State Bank of India
United Bank of India, Calcutta
First National City Bank, Calcutta
Grindlays Bank Ltd., Calcutta

JOINT AUDITORS

Ford, Rhodes, Parks & Co.
Ray and Ray

REGION AUDITORS

S.R. Dinodia & Co.
P.L. Tandon & Co.
Bahl Gupta & Associates
Prem Khandelwal & Co.
Gopal & Murthi
R.K. Kumar & Co.
Rajendra K. Goel & Co.

Indian Oil Corporation Limited

EXECUTIVES

Index

CHAIRMAN'S OFFICE

J. Jayaraman
Chief General Manager
Coordination

D.N. Sharma General Manager	P.D. Kelkar General Manager International Trade
--------------------------------	---

H.N. Roy Chodhury General Manager Internal Audit	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	K. Jai Singh General Manager
---	---------------------------------

B.D. Gupta Financial Controller Projects	M. Gopal General Manager Personnel
--	--

D.R. Bansal Financial Controller (R&P)	N.L. Mazumdar General Manager Pipelines
---	---

K.C. Jain General Manager Technical	T.S. Krishnamurthy General Manager Projects
---	---

REFINERIES

B.N. Ghosh General Manager Haldia Refinery	Rajinder Singh General Manager Mathura Refinery
--	---

J.L. Vasudeva General Manager Gujarat Refinery	S.N. Sarkar General Manager Barauni Refinery
--	--

P.S. Tekchandani
General Manager
Gauhati Refinery

MARKETING DIVISION

HEAD OFFICE

B.B. Bakshi General Manager Personnel	P.E. Mathews General Manager Operations
---	---

G.S. Pandya Financial Controller	S.C. Ghose General Manager Supplies
-------------------------------------	---

Indu Vira General Manager Lubes	S.K. Gupta General Manager Technical Audit
---------------------------------------	--

J.L. Zutshi
General Manager
LPG

S.P. Mathur
General Manager
Sales

REGIONAL OFFICES

G.S. Savoor
General Manager
Southern Region

J.S. Oberoi
General Manager
Northern Region

R.K. Narang
General Manager
Eastern Region

R.M. Basrur
General Manager
Western Region

ASSAM OIL DIVISION

B.N. Dutta
General Manager



NOTICE

Notice is hereby given that the 25th 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 15.30 hours on 27th September, 1984 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, 1984.
2. To declare dividend.

By Order of the Board
D.B. PURI
Secretary

Boambay, Dated 11th September, 1984

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.

MEETING VENUE

The venue of the meeting is shifted to Indianoil Bhavan, New Delhi, after obtaining the approval of the Govt. of India, Ministry of Law, Justice, & Company Affiars, Department of Company Affairs, vide their letter No. 20/27/84-IGC dated 25th Sept. 1984, and the meeting will be held on 27th Sept., 1984 at 12.30 p.m.



Indian Oil Corporation Limited

DIRECTORS' REPORT

1983-84

To
The Shareholders of
Indian Oil Corporation Limited
Gentlemen,

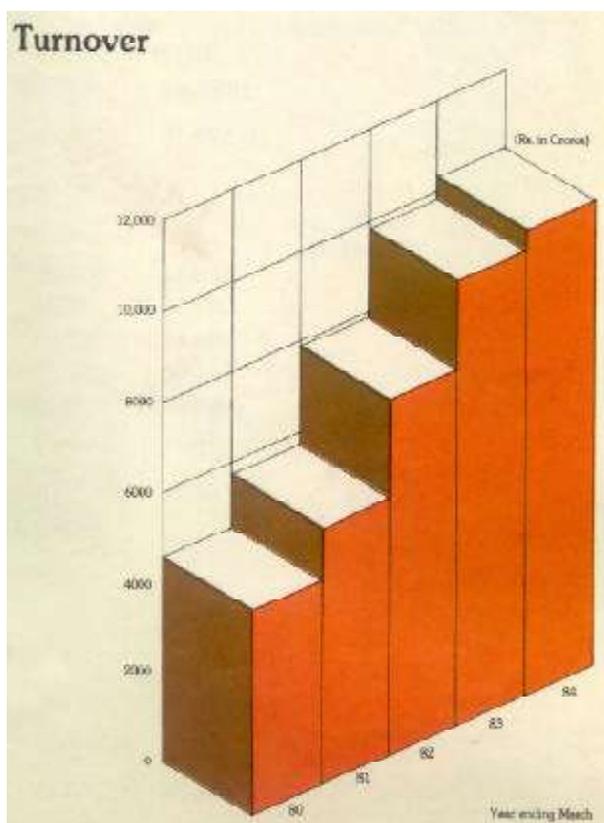
On behalf of the Board of Directors I have great pleasure in placing before you the 25th Annual Report on the working of the Corporation for the financial year ending 31st March, 1984 along with the audited statement of accounts.

Inclusive of five years' operations of the Indian Oil Company and Indian Refineries Limited which were amalgamated in 1964 to form the Indian Oil Corporation, 25 dedicated years of service has been rendered to the nation. There are grounds for satisfaction with the achievements during this period which may be summarised as follows:

- Investment of Rs. 1538 crores has been made, 74 per cent of which has been financed from internal resources;
- Five grass root refineries with a installed capacity of 19.95 million tonnes have been built and a refinery of 0.5 million tonnes capacity acquired and all have been successfully operated generally at very high levels of capacity utilization;
- Modern process technology in several areas has been successfully assimilated including fluidised catalytic cracking;
- Research and Development has been undertaken leading, most notably, to over ninetyfive per cent of the lubricants presently marketed by the Corporation being formulations developed at the Corporation's R & D Centre;
- A vast country-wide distribution network has been built up, comprising 220 installations, depots and aviation fuelling stations and 8316 retail outlets, SKO/LDO dealers and LPG distributorships;

Indian Oil Corporation Limited

- A transportation network of crude oil pipeline



Indian Oil Corporation Limited

- of 1217 Km and petroleum products pipelines of 2624 Km has been installed and successfully operated;
- Storage capacity has been set up for 1.7 million tonnes of crude oil and 3.9 million KL of products;
- Cumulative profit (after tax) earned amounts to Rs. 826 crores;
- Rs. 147 crores have been paid as dividend and bonus shares for Rs. 41.09 crores have been issued on the original share capital of Rs. 82.18 crores;
- Income tax amounting to Rs. 421 crores and Duties on products amounting to Rs. 11,375 crores have been paid to the Government.

FINANCIAL RESULTS

The financial highlights of the year are as under:

(Rs. in crores)

1983-84 1982-83

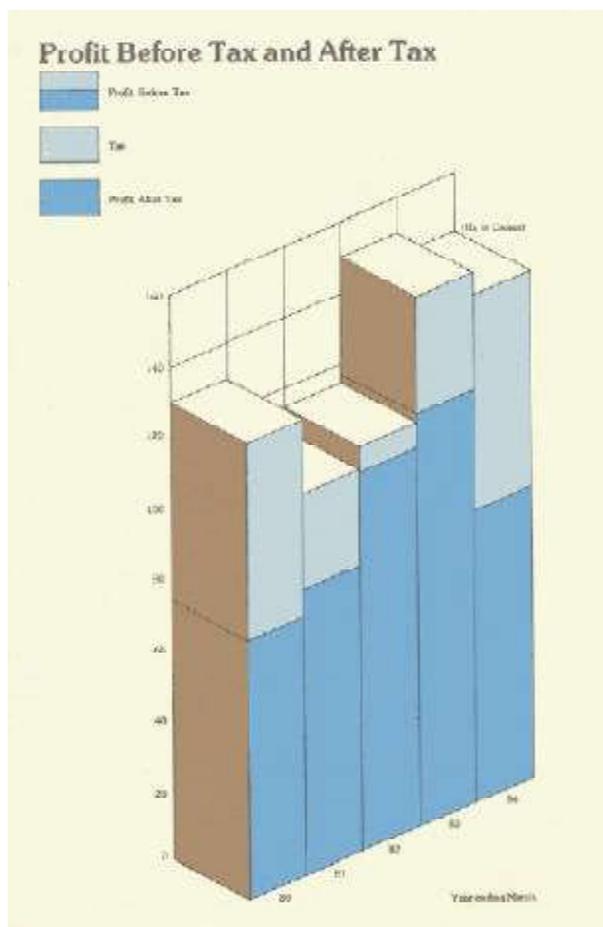
Turnover **10,299.29** 9,791.60

Profit

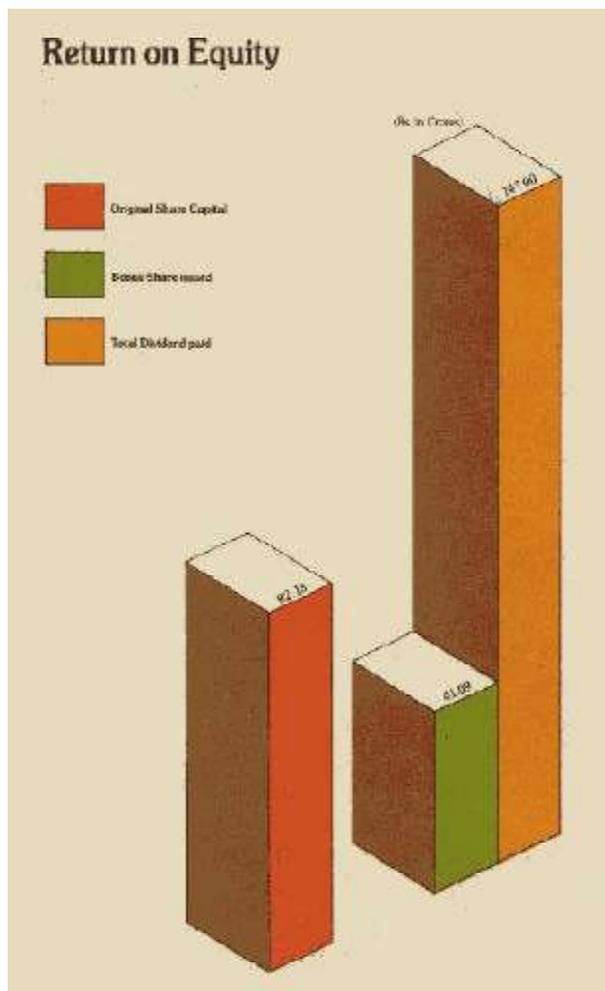
Profit before interest payments, depreciation and tax	416.11	328.35
Interest payments	89.41	72.56
Depreciation	182.66	105.61
Profit before tax	144.04	150.08
Tax provision	61.50	33.23
Profit after tax	82.54	116.85
Development Rebate		
Reserve written back	10.04	3.01
Disposable profit	92.59	119.87

Appropriations

Proposed dividend @14%	17.26	17.26
Investment Allowance Reserve	13.50	41.50
Insurance Reserve Account	0.10	0.10
General Reserve	61.73	61.00



Indian Oil Corporation Limited



Profit

Profit before depreciation and tax has risen from Rs. 255.69 crores to Rs. 326.70 crores registering an increase of 27.8 per cent. Profit before tax has declined marginally from Rs. 150.08 crores to Rs. 144.04 crores mainly because of higher provision for depreciation arising out of enhancement in the permissible depreciation rates in the Income-Tax Rules—4th Amendment, 1983.

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. 92.59 crores.

Contribution to Exchequer

The Corporation contributed Rs. 1216.06 crores to the Exchequer during the year in the form of duties and income-tax.

Value Added

Value added for the year 1983-84 in regard to the Refinery, Pipeline and Marketing operations of the Corporation amounted to Rs. 587 crores against the target of Rs. 562 crores. This reflects a sizeable increase over the corresponding figure of Rs. 474 crores in 1982-83.

Funds Management

There was continuous effort to contain bank borrowings for financing working capital requirements within the Chore Committee norms. Keeping this in view, an additional sum of Rs. 74.00 crores has been diverted during the year from internal resources to finance working capital requirements.

Financing of Investment

Your Corporation has incurred a capital expenditure of Rs. 185.46 crores which has been financed entirely from internally generated resources comprising retained profit and depreciation. During 1984-85 investment of Rs. 250.85 crores is planned to be met again entirely from internal resources.

Barami Refinery — A twilight shot.



Public Deposit Scheme

The Public Deposit Scheme introduced in 1980-81 gained further momentum and a net amount of Rs. 43.20 crores was collected during the year against Rs. 31.77 crores in the previous year. Total deposits stood at Rs. 105.62 crores from 74023 depositors as against Rs. 62.42 crores from 52184 depositors at the end of the previous year.

REFINERIES

INAUGURATION OF MATHURA REFINERY

On 14th May, 1983, the Mathura Refinery was formally inaugurated by the Union Energy Minister Shri P. Shiv Shanker in the distinguished presence of Mr. I.V. Arkhipov, the First Deputy Chairman of the Council of Ministers of the USSR.

OPERATIONS

The six refineries of the Corporation at Gauhati, Barauni, Gujarat, Haldia, Mathura and Digboi processed 19.46 million tonnes of crude oil during 1983-84 as against 17.83 million tonnes in 1982-83 i.e., an increase of more than 9 per cent over the last year. The increase in throughput was mainly at Mathura Refinery which processed 5.224 million tonnes in 1983-84 as against 3.844 million tonnes in 1982-83.

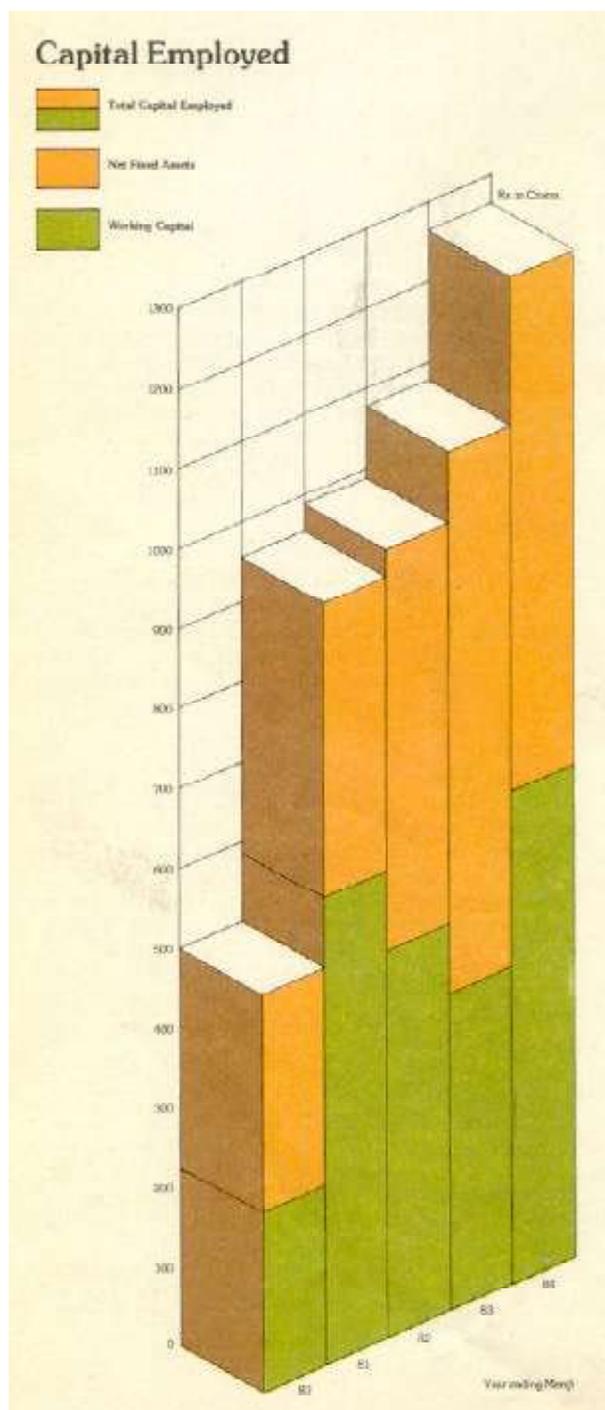
The salient features of Refinery operations were:

- Gauhati, Haldia, Gujarat and Digboi Refineries attained record throughput.
- Processing of indigenous crude was 13.77 per cent higher as compared to last year. This included processing of 4.13 million tonnes of Bombay High crude as against 3.01 million tonnes during 1982-83.
- LPG production increased by about 36 per cent over the last year.

Feed Preparation Unit of the Fluid Catalytic Cracker at Gujarat Refinery.



Indian Oil Corporation Limited



A comparative picture of the capacity and the actual throughput of the six refineries during the year is as under:

(Figures in million tonnes)

Refinery	Capacity*	Actual 1983-84	%age capacity utilisation
Gauhati	0.850	0.871	102.5
Barauni	3.300	2.907	88.1
Gujarat	7.300	7.331	100.4
Haldia	2.500	2.580	103.2
Mathura	6.000	5.224	87.1
Digboi	0.500	0.549	109.8
TOTAL	20.450	19.462	95.2

* Design capacity of 18.75 million tonnes has been progressively increased over the years to 20.450 million tonnes through debottlenecking processes.

Lower utilization of capacity at Mathura Refinery was due to teething problems in the stabilisation of secondary processing facilities which had been commissioned in January 1983 and at Barauni mainly on account of a temporary reduction in availability of crude oil from the Assam fields.

ENERGY CONSERVATION

The Corporation continued to place emphasis on conservation of fuel and reduction of hydro-carbon losses in the refineries. Several schemes have been undertaken and completed during the last three years such as heat recovery from continuous blow-down from boilers, improvement in steam extraction from turbo generators (Gauhati), new cooling towers (Barauni), optimization of crude exchangers, additional steam generation in process heater, hot feed supplies to Bitumen unit (Gujarat), hot feed supply to VDU, better utilisation of low pressure super heated steam (Haldia) etc. These measures, costing approximately Rs. 1.25 crores, have resulted, with effect from 1983-84, in fuel saving of 15,000 tonnes per

annum valued at Rs. 2.50 crores. A number of other energy saving schemes estimated to cost Rs. 42 crores are under implementation. These schemes are expected to be completed by 1986-87 and will result in a fuel saving of about 60,000 tonnes per annum valued at about Rs. 10 crores.

POLLUTION CONTROL ACTIVITIES

Pollution Control Cells in refineries and at the Headquarters of Refineries and Pipelines Division at New Delhi continued to monitor performance closely. Effluent treatment facilities worked satisfactorily during the year. New facilities were added in some of the refineries and are being planned for other refineries to achieve effluent qualities better than those statutorily required. These include:

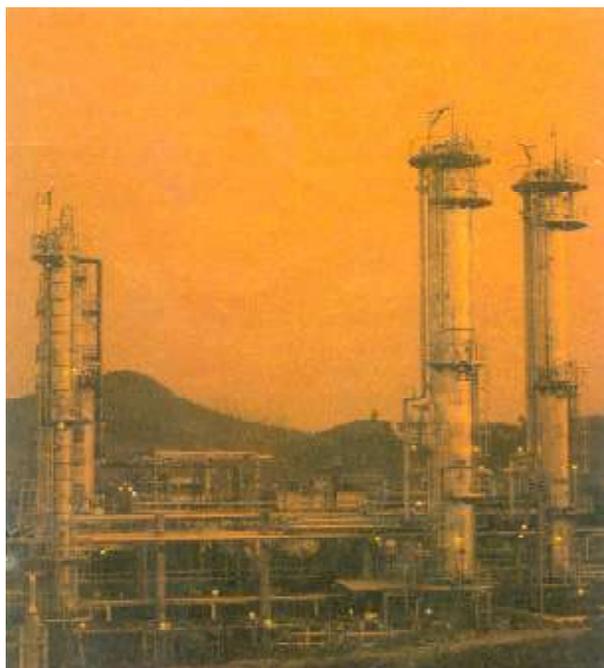
- Additional facilities costing nearly Rs. 73 lakhs commissioned at Gujarat Refinery for improving the effluent quality further.
- Treatability studies of effluent at Barauni being carried out by the National Environmental Engineering Research Institute (NEERI), Nagpur and bio-treaters to be installed based on their recommendations.
- Measures initiated to augment the treatment facilities at Haldia and Digboi refineries.
- Cooling tower installation and effluent disposal line projects completed at Gauhati.

Air quality monitoring was carried out to assess the impact of refinery operations on the neighbourhood. Concentration of sulphur dioxide in ambient air continues to be well within the limits specified by the control agencies.

MAINTENANCE & INSPECTION

High capacity utilisation and long run lengths are the results of good maintenance. During the year, additional modern tools and instruments were acquired for on-stream monitoring of equipment. Computerisation of maintenance and inspection schedules was introduced on a pilot basis in one of the refineries for better planning and control.

Gauhati Refinery—
A view of the Naphtha Splitter Unit.



Indian Oil Corporation Limited

PIPELINES

Your Corporation has a transportation network of 1217 Km of crude oil pipeline and 2624 Km of product pipelines. During the year 1983-84, 16.25 million tonnes of products and crude oil were transported against 13.87 million tonnes in the previous year registering an increase of 17.2 per cent. The capacity of the Koyali-Ahmedabad Pipeline was augmented from 0.7 million tonnes to 1.1 million tonnes per annum.

MARKETING

SALES

During the year 1983-84 the demand for petroleum products in the country was projected at 36.76 million tonnes out of which IOC's Sales Plan entitlement was 21.94 million tonnes working out to a market participation of 59.7 per cent. Due to lower materialisation of demand at 35.75 million tonnes, IOC's sales during the year 1983-84 amounted to 21.55 million tonnes, with a market participated of 60.3 per cent as against 61.5 per cent in the previous year. The decline in IOC's market participation is in line with the Government's policy to secure gradually an increase in the market participation of the other oil companies.

AVIATION FUELLING

In the aviation fuelling field, Indianoil continued to maintain its premier position. Aviation Turbine Fuel and Av. Gas were supplied to the customers through a network of 72 Aviation Fuel Stations, throughout the country. The sophisticated and indigenously developed hydrant system at the Bombay airport is now fully operational.

We are committed to meet the special requirements of the Arunachal Pradesh Government, by providing refuelling facilities at remote locations in Arunachal Pradesh. Indianoil are the sole suppliers of the Av. Gas mainly required by Defence forces and to a small extent by the Civil operators like Flying Clubs and Executive aircraft.

Product pipeline reaching Patna terminal



Indian Oil Corporation Limited

Retail Distribution

During the year, 60 new retail outlets were commissioned. The total number of outlets in operation at the end of the year stood at 4876. There were 2616 SKO/LDO dealerships operating at the end of 1983-84.

Since June, 1980, certain percentages of the dealerships/distributorships are being reserved for special categories such as Scheduled Castes/ Scheduled Tribes (SC/ST), Unemployed Graduates (UG), Physically Handicapped (PH) and Social Workers (SW)/Freedom Fighters (FF). The total number of dealerships/distributorships awarded from June, 1980 to 31-3-1984 including those to the special categories was an under:

Category	Retail Outlet Dealerships	SKO/LDO Dealerships	Indane (LPG) Distributorships
SC/ST	104	45	113
UG	87	34	100
PH	50	9	66
SW/FF	15	7	14
Others	165	60	225
TOTAL	421	155	518

Indianoil refuels ONGC helicopters on offshore service, at Bombay.



The award of dealerships/distributorships is being made on the recommendation of four Selection Board each consisting of retired High Court Judge and a senior civil servant with headquarters at Delhi, Madras, Calcutta and Ahmedabad.

Rural and Agriculture Sector

In 1976 the Damle Committee recommended that the oil companies should develop a distribution system to ensure equitable availability of kerosene in all parts of India including the remote villages and hilly areas. Pursuant to this recommendation, the Corporation has set up several Taluka Kerosene Depots and Multi-purpose Distribution Centres. As of 31st March, 1984 there were 24 Taluka Kerosene Depots all over India in operation and action is on hand for developing six more such

Indian Oil Corporation Limited

Depots. There were 247 Multi-purpose Distribution Centres in existence as of 31-3-1984 to cater to the needs of the rural sector, not only of petroleum products but also of fertilizers, pesticides, seeds, tractors parts, non-scheduled drugs and consumer goods.

Cooking Gas

Your Corporation enrolled 8.50 lakh LPG customers during the year 1983-84. The Corporation also started marketing Indane gas in 36 additional towns during the year. As on 31-3-1984, there were 39.7 lakh customers served through a distribution network of 824 distributors spread over 367 towns.

On May 15, 1983, a fire destroyed our Shakurbasti Bottling Plant facilities. While the filling machines and cylinder stacking sheds were irreparably damaged, the LPG bulk storage facilities remained virtually intact. Due to the fire, bottling capacity of approximately 3.5 lakh cylinders per month was lost. The bottling facilities at Shakurbasti are being reinstalled and are expected to be operational by October, 1984.

A high level committee under the Chairmanship of Shri R. Vasudevan, Joint Secretary in the Department of Petroleum, was appointed by the Central Government to review all aspects of safety in the handling and distribution of LPG. The recommendations of the committee, as accepted by the Government, are being implemented not only in all new LPG plants but also, to the extent possible, in all existing bottling plants.

DISTRIBUTION

As on 31-3-1984, your Corporation has 16 port installations, 12 pipeline installations, 5 inland installations and 115 bulk depots. A new installation at Tirunelveli for LSHS and other petroleum products and a new depot at Kargil (J&K) were commissioned during the year. Total tankage at the installations and depots as on 31-3-1984 was 24.97 lakh KL as against 24.46 lakh KL as on 31-3-1983. The throughput of all products handled during 1983-84 through installations and depots was 277.32 lakh KL as against 268.98 lakh KL during the previous year.

Orchard Spray Oil being used at an Apple Orchard.



Indian Oil Corporation Limited

CONSERVATION

Your Corporation is working closely with the Petroleum Conservation Research Association in conservation of petroleum products in various sectors of the economy and in educating the consumers. Efforts for conserving High Speed Diesel have been made specially for the organised sector of road transport viz. State Transport Undertakings (STUs) which will result in substantial savings in diesel consumption. Automatic cut-off nozzles have been provided in the dispensing pumps installed at the various STU depots which will effect a saving of 6000 tonnes of diesel per annum.

The Corporation has also been extending loans on liberal terms for the replacement of inefficient oil fired boilers by modern high thermal efficiency boilers to save fuel. So far, 9 loans amounting to Rs. 45.64 lakhs have been sanctioned. Besides this, 38 inefficient boilers have been replaced by the customers themselves at our instance.

Efforts have also been made to improve the availability of the thermally efficient kerosene wick-stoves to the consumers through a liberalised scheme of licensing the manufacture of Nutan stoves. Technical know-how was released to 82 entrepreneurs in addition to NSIC and other units already under production numbering 14. During the year, 1.61 lakh Nutan stoves were sold.

Similarly, an LPG burner with 70% thermal efficiency against 58% normally available in the market, has been commercialised. While technical know-how has been availed of by 58 parties, 17 parties have commenced production.

Mourigram terminal near Calcutta.



An oil tanker at an Indian port.



INTERNATIONAL TRADE

Indian Oil Corporation is the canalising agency for import and export of crude oil and petroleum products on behalf of oil industry. During the year 1983-84, 14.20 million tonnes of crude oil valued at Rs. 3064 crores was imported as against 13.23 million tonnes of crude oil valued at Rs. 3062 crores during the year 1982-83. (In addition, 2.80 million tonnes of crude oil valued at Rs. 599 crores was imported by other oil companies directly as against 3.74 million tonnes valued at Rs. 852 crores in the previous year). 3.96 million tonnes of finished products and 0.102 million tonnes of lubricants valued at Rs. 1156 crores and Rs. 57 crores respectively were imported during 1983-84 as against 5.41 million tonnes of finished products and 0.112 million tonnes of lubricants valued at Rs. 1619 crores and Rs. 54 crores respectively in the previous year. In addition to this 87,000 tonnes of SKO and 2,46,000 tonnes of HSD were imported against crude oil processed outside India. Thus the total import bill of the country worked out to Rs. 4876 crores against Rs. 5587 crores in the previous year.

Your Corporation has exported during the year 1983-84, Bombay High Crude Oil to the extent of 4.99 million tonnes valued at Rs. 1113 crores as against 4.35 million tonnes valued at Rs. 1021 crores in the previous year. In addition, 1.47 million tonnes of finished products valued at Rs. 357 crores were exported besides supply of Aviation Fuel to international airlines to the extent of Rs. 85 crores. Earning from Bunker/Marine lubricants supplies to foreign flag vessels at Indian ports amounted to Rs. 15 crores. Saving in foreign exchange on account of upliftment of Bunker/Marine lubricants by Indian flag vessels on foreign run was to the extent of Rs. 25 crores. In addition, foreign exchange to the extent of Rs. 67 crores was earned through sales proceeds of Naphtha and Fuel Oil sold out of the Corporation's entitlement against its crude processed outside India.

DRUM PLANT

During the year, the Drum Plant at Madras manufactured 3.02 lakh lube barrels and 7.25 lakh Bitumen drums against 3.09 lakh lube barrels and 8.57 lakh Bitumen drums in 1982-83. Reduced production during the year was mainly due to fall in demand for drums and barrels.



RESEARCH & DEVELOPMENT

In recognition of the importance of the Research and Development function in the Corporation, Government had sanctioned a post of whole time Director in charge of R & D and Dr. P.K. Mukhopadhyay was appointed to this post in December, 1983.

During the year an expenditure of Rs. 4.24 crores was incurred on research and development activities. The Centre developed 27 new formulations covering engine oils, gear oils, greases and industrial oils for the automotive, industrial, Defence, railways and iron and steel sectors. Ten field trials were conducted for railways, Defence and others. Sixteen approvals of formulations were obtained from Defence authorities and engine builders. Experimental work on performance of low flash diesel was completed. A workshop on "High Auto-Lube Consumption in India—Its Causes and Remedies" was organised by the Centre to focus the attention of the user industries on high lube to fuel ratio in the country.

It is proposed to expand the activities of the R & D Centre. Your Board has approved projects at a total cost of about Rs. 10 crores for this purpose. The scope of work visualised includes development of fuel/energy efficient lubricants, high performance lubricants, component based additive systems in place of packages, new generation lubricants, marine oil formulation and study of low temperature flow properties of diesel oil and crude oil.

A feasibility report is also being drawn up to set up bench scale units in selected areas such as FCC, Solvent Extraction etc., to establish the effect of operating variables which will be useful for refinery process optimization.

Inside a laboratory at our R&D Centre.



Indian Oil Corporation Limited

PROJECTS

Your Corporation incurred a capital expenditure of Rs. 185.46 crores during the year 1983-84 on several projects. The following projects have been completed during the year:

- Propane De-asphalting Unit at Haldia for production of bright LVI lube base stocks (at import substitution of cylinder oil)—Rs. 4.36 crores.
- Naphtha Splitter Facilities at Gauhati for supply of special cut Naphtha to the Petrochemical complex at Bongaigaon—Rs. 4.76 crores.
- Effluent Disposal Line and Cooling Towers at Gauhati for Pollution Control—Rs. 5.96 crores.
- New Bottling Plants at Salem and Allahabad with a bottling capacity of 25,000 tonnes of LPG at each of the plants in addition to a mini bottling plant at Kalyani.

The following projects were under implementation during the year:

Additional Coking Unit at Barauni Refinery

The unit is being set up at an estimated cost of Rs. 49 crores to increase production of light and middle distillates by 2,81,000 tonnes per annum and Raw Petroleum Coke by 85,000 tonnes per annum. All equipment and materials have arrived at site and construction work is in progress. The first Coke Chamber has already been erected. The unit is expected to be completed by mid-1985.

Mandatory Crude Oil Storage Tanks

Of the 12 crude oil storage tanks being constructed at an estimated cost of Rs. 39.6 crores to provide additional storage capacity of 6.44 lakh tonnes of imported crude oil, four tanks have already been commissioned at Viramgam and Mathura. The remaining eight tanks at Haldia, Viramgam and Koyali are under various phases of erection and are expected to be commissioned during the financial year 1984-85.

Propane De-asphalting Unit at Haldia Refinery.



Additional Product Tankage

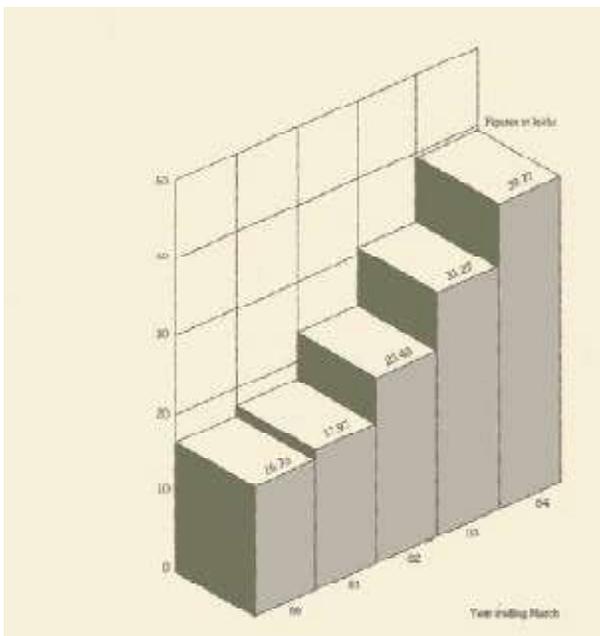
The project to augment to storage capacity of petroleum products at various locations (under Phase-I) by 5.10 lakh KL at an estimated cost of Rs. 36.15 crores is expected to be completed by December, 1985. A project for an additional 4.52 lakh KL storage capacity for petroleum products under Phase-IIA at an estimated cost of Rs. 33.88 crores is likely to be approved by the Government in 1984-85.

LPG Marketing & Distribution Facilities

To meet the growing demand of LPG in the country your Corporation has undertaken projects to augment the existing LPG marketing and distribution facilities. These are—

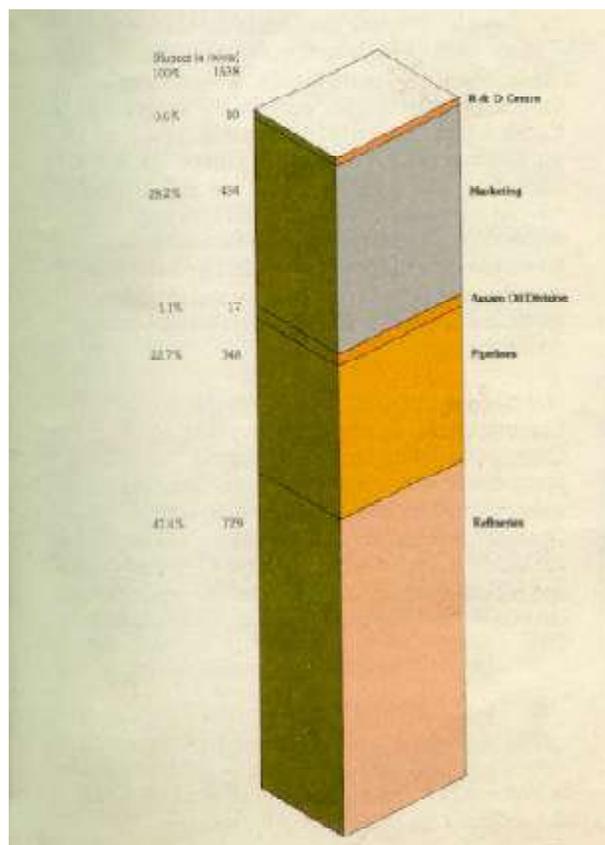
- (i) **LPG Phase-I:** The project consisted of setting up of bottling plants at Jalandhar, Allahabad, Bangalore and Salem and acquisition of cylinders, pressure regulators and tank wagons. The project was estimated to cost Rs. 102.31 crores. Bottling plants and acquisition of cylinders and pressure regulators have already been completed and procurement of tank wagons will be completed by 1984-85.
- (ii) **Oil India LPG:** To market the additional availability of LPG from Duliajan, a project estimated at Rs. 28.09 crores for setting up bottling plants at Kalyani, construction of a transshipment depot at Bongaigaon and acquisition of cylinders, pressure regulators and tank wagons was taken up in 1982. The projects is at advanced stage and is expected to be completed in 1984-85.
- (iii) **LPG Phase-III:** Your Corporation has taken up Phase-III of the project for augmenting LPG storage and distribution facilities by setting up 12 bottling plants in various parts of the country in addition to resitement of the existing plant at Kanpur, to utilize the additional availability of LPG from the expansion of refineries at Madras, Cochin, Bombay and Visakhapatnam, the additional coker at Barauni and ONGC's fractionation unit at Hazira and Uran Unit No. II. The project also includes acquisition of additional LPG tank wagons, cylinders, valves and pressure regulators and is expected to be completed by

Number of Indance (LPG) Customers



Indian Oil Corporation Limited

Unitwise Fixed Investment as on 31st March, 1984



1987-88 at an estimated cost of about Rs. 373.48 crores.

NEW PROJECTS

Your Corporation had submitted feasibility reports to the Government last year for Karnal Refinery Project, Haldia Refinery Expansion Project, Barauni Refinery Expansion Project and Uran-Koyali-Viramgam Crude Oil Pipeline. The Public Investment Board has already considered the feasibility report to set up a refinery at Karnal with a capacity of 6 million tonnes together with a new pipeline from Chaksu in Rajasthan on the existing Mathura-Viramgam Pipeline at an estimated cost of Rs. 1359 crores. Approval for this project is awaited from the Government. Other feasibility reports are still under consideration of the Government.

PROJECTS UNDER CONSIDERATION

A feasibility report covering expansion and modernisation of Digboi Refinery is being finalised and will be submitted to Government during the current year. Feasibility reports are being drawn up for projects in the other refineries to create additional crude processing capacity by debottlenecking of equipment and will be submitted to the Government during the current year for approval.

A CORPORATE CITIZEN

WELFARE OF EMPLOYEES

The Corporation continued to follow its welfare-oriented programmes which included loans for house building, transport and canteen facilities, workers' education classes, medical facilities, sports organised by the Corporation, assistance to Employees clubs, Co-operative Credit and Consumer Societies, incentive to encourage Family Planning and special medical leave facilities to employees suffering from chronic ailments.

Welfare of Weaker Section

All Presidential directives received from the Government of India from time to time regarding em-

ployment of candidates belonging to reserved categories such as Schedule Castes/Scheduled Tribes, and other instructions regarding ex-Servicemen and Physically Handicapped continue to be implemented. Out of 2666 employees recruited by the Corporation during the year, 578 belonged to Scheduled Castes/Scheduled Tribes and 35 to Physically Handicapped categories. A scholarship scheme for Scheduled Castes/Scheduled Tribes Engineering students has been introduced with the object of employing them as Engineer Trainees on completion of their studies.

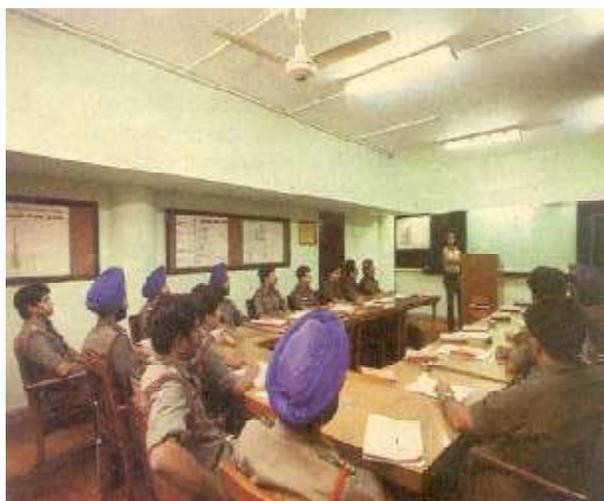
TRAINING

Facilities have been developed in the Corporation at the Refiners and at some locations in the Marketing Division which provide technical training and management development courses. Apart from the on-going training courses, during the year under review, the Marketing Division introduced three new programmes on "Logistics Management," "Lube Marketing" and "LPG Marketing." In all, 505 training courses were conducted in 1983-84 covering managerial, supervisory, operational and technical functions of the Corporation and 2913 officers were given training in these courses. Training of workmen was intensified and 3798 workmen attended courses during the year. Five managers from the Ceylon Petroleum Corporation and one from the Nepal Oil Corporation participated in our training programmes. A specialised training programme was organised on various aspects of Aviation, Operation and Quality Control for an officer from the Maldives Airport Authority. Your Corporation also provided training to 127 Defence personnel of our country on "Petroleum Storage, Handling and Distribution."

EMPLOYEE RELATIONS

Industrial relations in all the units of the Corporation were cordial and harmonious except for some agitation in Mathura Refinery in February, 1984

Training course for Defence personnel on handling of petroleum products.



Indian Oil Corporation Limited

which, however, did not affect the operations of the refinery.

A Settlement was negotiated with the unions of the Refinery & Pipelines Division and Marketing Division on an all-India basis on their charter of demands and an agreement was signed on 24th May, 1983 and 25th June, 1983 respectively for the period up to 30th April, 1986.

PRODUCTIVITY-LINKED BONUS

A productivity bonus scheme has been introduced in the year under review. The bonus is linked to attainment of productivity targets to be fixed annually.

HINDI IMPLEMENTATION

Pursuant to the provision of the Official Languages Act, 1963 and Official Languages Rules, 1976, efforts continued to be made to increase the use of Hindi in official work. Employees are being given incentives in the form of cash awards for learning Hindi and during the year 560 employees passed various Hindi examinations. Regular quarterly meetings of the Hindi Implementation Committees were held. There were 88 Hindi typewriters provided in our offices.

During 1983-84, 26 Hindi Workshops were conducted. 90 forms and 29 documents were made bilingual.

The house journal of the Corporation and wall posters continued to be brought out in Hindi also. Our 1984 calendar depicting 'Safety in LPG' was printed in bilingual form.

INDIAN OIL BLENDING LIMITED

The Annual Accounts and Directors' Report of the Indian Oil Blending Limited (IOBL), a wholly owned subsidiary of the Corporation are annexed herewith. IOBL has earned a net profit of Rs. 16.40 lakhs as against Rs. 36.26 lakhs in the previous year after providing for depreciation of Rs. 30.47 lakhs and taxation provision of Rs. 21.25 lakhs. A dividend of 10 per cent has been declared for the year 1983-84.

INDIAN TRADING (HOLDINGS) LIMITED

This Company was set up with the primary

tive of acting as Trustees of two Provident Funds of the employees of the 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 Fund 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. 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 are annexed.

FOREIGN TOURS

Out of the total number of 79 tours undertaken by the officers during 1983-84, 25 tours were for the purpose of attending training programmes. The total expenditure on foreign tours during the year was Rs. 25 lakhs out of which Rs. 7 lakhs was on training courses.

BOARD OF DIRECTORS

In terms of Article 94(d) of the Articles of Association of the Corporation, the following Directors will retire at the Annual General Meeting but are eligible for re-appointment.

- | | |
|----------------------|----------------------------|
| 1. Shri Nithin Desai | 5. Shri Arvind Varma |
| 2. Shri R. Vasudevan | 6. Shri D.K. Singh |
| 3. Shri S.L. Khosla | 7. Shri H.K. Bandopadhyay |
| 4. Shri T.N.R. Rao | 8. Shri Dilip Kumar Biswas |

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 wishes to place on record its appreciation of the excellent work done by the members of the Indianoil family. The Board of Directors also wishes to acknowledge gratefully the support and guidance received from the Government of India and the State Governments.

For and on behalf of the Board,



Chairman

New Delhi:

Dated: 11th September 1984.

Indian Oil Corporation Limited

HOW FUNDS GENERATED & UTILISED

(Rupees in Crores)

DESCRIPTION	FOR THE YEAR ENDED 31ST MARCH					
	1984	1983	1982	1981	1980	1979
A. SOURCE OF FUNDS:						
1. Internal Resources:						
Retained Profit	65	100	89	69	64	59
Depecciation	178	104	71	58	52	30
	243	204	160	127	116	89
2. External Resources:						
Share Capital	—	—	—	—	—	—
Borrowings from Govt./Others	188	24	20	82	63	31
Borrowings from Bank	(29)	(167)	(94)	316	205	5
	159	(143)	(74)	398	268	36
	402	61	86	525	384	125
Total Funds						
B. UTILIZATION OF FUNDS:						
Increase in Fixed Assets	186	146	188	163	150	120
Net increased/decrease in working capital	216	(85)	(102)	362	234	5
	402	61	86	525	384	125
CHANGES IN WORKING CAPITAL:						
A. Current Assets:						
1. Inventories	247	51	46	457	249	45
2. Book Debts	(52)	(39)	152	3	69	27
3. Cash & Bank Balance	(5)	—	(9)	9	—	5
4. Loans & Advances	(30)	134	(276)	130	232	27
	160	146	(87)	599	550	104
Less:						
B. Current Liabilities & Provision	(56)	231	15	237	316	99
C. Working Capital (A—B)	216	(85)	(102)	362	234	5

Notes: Figures in brackets denote minus.



Indian Oil Corporation Limited

STATEMENT OF ADDED VALUE 1983-84

	Rupees in Crores	Percentage
Value of Production (Refineriers)	3757	
Less: Cost of Direct Materials	<u>3481</u>	
Added Value	276	
Marketing Operations	225	
Pipeline Operations	84	
R&D	<u>2</u>	587
SHARED TOWARDS:		
I. Operations:		
Employees' Benefits (Salaries, wages & other benefits)	98	16.7
Other Costs	73	12.4
		171
II. Financing:		
Interest on Govt. Loans (including OIDB)	26	4.4
Interest on working capital	63	10.7
Dividend	<u>17</u>	2.9
		106
III. Taxation		62
		10.6
IV. Expansion & Growth:		
Depreciation	183	31.2
Retained Profits	<u>65</u>	11.1
		248

Indian Oil Corporation Limited

A TEN-YEAR PROFILE

	1983-84	1982-83	1981-82
WHAT WE OWE:			
Share Capital	123	123	123
Reserves	637	572	472
Net worth	760	695	595
Borrowings	721	562	705
	1,481	1,257	1,300
WHAT WE OWN:			
Fixed Assets	1,538	1,352	1,206
Less: Depreciation	673	495	391
	865	857	815
Working Capital	616	400	485
	1,481	1,257	1,300
INCOME:			
Sales	10,299	9,792	7,958
Accretions/Decretions in stock	42	205	98
Other Income	61	62	62
	10,402	10,059	8,118
EXPENDITURE:			
Purchase & Manufacturing Expenses	9,826	9,597	7,742
Establishment, Admn. & Selling Expenses	160	133	93
Depreciation	183	106	74
Interest	89	73	95
	10,258	9,909	8,004
PROFIT BEFORE TAX	144	150	114
PROFIT AFTER TAX	82	117	106
DIVIDENDS	17	17	17
RETAINED EARNINGS	65	100	89
RATIOS:			
Profit after tax as % to average net worth	11.3	18.1	19.3
Earnings per Equity Share (Rupees)	670.0	948.0	864.0
Net worth/Equity Share (Rupees)	6,167.0	5,637.0	4,829.0

Note: Figures in brackets denote minus.

Indian Oil Corporation Limited

(Rupees in Crores)

1980-81	1979-80	1978-79	1977-78	1976-77	1975-76	1974-75
82	82	82	82	82	71	71
424	355	291	232	191	149	125
506	437	373	314	273	220	196
778	380	112	76	47	43	94
1,284	817	485	390	320	263	290
1,018	855	705	585	476	384	335
320	262	210	180	161	140	115
698	593	495	405	315	244	220
586	224	(10)	(15)	5	19	70
1,284	817	485	390	320	263	290
5,719	4,502	3,567	3,001	2,662	2,421	1,961
51	155	9	31	14	(19)	25
85	27	20	21	16	14	12
5,855	4,684	3,596	3,053	2,692	2,416	1,998
5,544	4,435	3,406	2,873	2,514	2,287	1,878
73	64	55	53	48	47	39
57	52	31	19	22	26	20
73	5	4	8	2	4	9
5,747	4,556	3,496	2,953	2,586	2,364	1,946
108	128	100	100	106	52	52
81	74	69	49	49	30	31
12	10	10	8	7	6	6
69	64	59	41	42	24	25
17.2	18.3	20.1	16.7	19.9	14.4	16.9
981.0	894.0	842.0	599.0	589.0	420.0	431.0
6,156.0	5,314.0	4,541.0	3,819.0	3,319.0	3,098.0	2,758.0



Indian Oil Corporation Limited

PERFORMANCE AT A GLANCE

	1983-84	1982-83	1981-82	1980-81	1979-80
REFINERIES THROUGHPUT <i>(in million tonnes)</i>	19.46	17.83	13.46	10.43	12.14
† PERCENTAGE UTILIZATION OF CAPACITY	95.2	87.2	88.5	*74.8	87.0
PIPELINES THROUGHPUT <i>(in million tonnes)</i>	16.25	13.87	9.15	8.24	7.51
PRODUCT SALES <i>(in million tonnes)</i>	21.55	21.34	19.93	18.35	18.27
(Rs. in Crores)					
TURNOVER	10,299.29	9,791.60	7,958.06	5,719.42	4,502.13
PROFIT—before depreciation, interest payment and tax provision	416.11	328.25	283.00	238.46	184.19
PROFIT—before depreciation and tax provision	326.70	255.69	188.16	165.29	179.25
PROFIT—after depreciation, interest but before tax provision	144.04	150.08	114.03	108.15	127.68
PROFIT—after depreciation, interest and tax provision	82.54	116.85	106.53	80.65	73.43
DUTIES PAID	1,154.56	1,057.44	932.02	861.40	972.86
LOANS REPAYED—from internal resources	34.87	32.45	14.29	14.85	11.02
DIVIDEND	17.26	17.26	17.26	11.50	9.86
RESERVES & SURPLUS—cumulative	636.89	571.61	472.02	423.67	354.52

* Low production due to non-availability of crude oil during Assam agitation.

† Design capacity of 18.75 million tonnes has been progressively increased to 20.45 million tonnes through debottlenecking process.

Note: Figures include prior year adjustments.

Indian Oil Corporation Limited

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of Indian oil Corporation Limited as at 31st March, 1984, 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 purpose 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. 17/26/84-IGC dated 14th February, 1984 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 our 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, 1984

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

for FORD, RHODES, PARKS & CO.

for RAY & RAY
Chartered Accountants

Chartered Accountants

S.C. SAHA
Partner

G.R. PRADHAN
Partner

New Delhi, 7th August, 1984.



Indian Oil Corporation Limited

Index

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 & situation of fixed assets except in some cases of Furniture & Fixtures. The fixed assets of the Corporation are physically varified by the Management in a phased programme of three years cycle which in our opinion is reasonable having regard to the size of 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 the 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 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 for each type from subsidiaries of 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 determinatin of unserviceable, damaged and/or surplus stores, packages and materials. However, as on 31st March, 1984, 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, the provisions of the Section 58A 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. The Corporation has an adequate internal audit system which, in our opinion, is commensurate with the size and the nature of its business.
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

for FORD, RHODES, PARKS & CO.
Chartered Accountants

S.C. SAHA
Partner
NewDelhi, 7th August, 1984.

G.R. PRADHAN
Partner



Indian Oil Corporation Limited

STATEMENT OF ACCOUNTING POLICIES

1. FIXED ASSETS:

1.1 Land

Land acquired on lease 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 projects direct and financing expenses, if any, incurred during construction period are capitalised. In addition, for new refineries/expansion and new pipelines, the allocable overheads are also capitalised.

1.3 Depreciation

1.3.1 No depreciation is charged on freehold land. Cost of lease-hold land is amortised during the lease period. Plant & Machinery costing up to Rs. 5,000 are depreciated fully in the year of capitalisation after retaining a token value of Re. 1/-. Furniture & Fixtures except tables and chairs costing Rs. 250/- respectively are charged off to revenue. Capital Expenditure on Assets, the ownership of which is not with the Corporation, are depreciated over a period of five years. Depreciation on fixed assets other than above is charged on straightline method based on the assessed life on the asset at rates not lower than the corresponding rates prescribed under the Income-tax Act, retaining 5% of the original cost of the assets as residual value. Depreciation is charged for full year irrespective of the 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:

Valuation of Inventories

2.1 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 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 up to 30th April, where the liability is provided at actuals.

2.2.3 Provision for gratuity is made on the basis of departmental calculations at fifteen days salary for a month equivalent to 26 days for every years of service completed by an employee except in case of Assam Oil Division where the same is made on the basis of actuarial valuation of the previous period.

3 PROFIT AND LOSS ACCOUNT:

3.1 Sales

Sales proceeds include excise duty and Industry Pool Account Adjustments (Net).

3.2 Classification of Expenditure/Income

3.2.1 Raw Materials consumed/Purchase of products and crude for sale are net of Industry Pool Account Adjustments.

3.2.2 Income and expenditure up to Rs. 1 lakh in each case pertaining to prior year is charged to the current year.

3.2.3 Pre-paid expenses up to Rs. 10,000 in each case are charged to revenue.

3.2.4 Excise duty is not provided on oil stock stored in Bonded Tanks.

A.J.A. TAURO
Chairman

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

S.K. COMAL
Director (Finance)

B.K. BAKSHI
Director (Marketing)

D.B. PURI
Secretary



Indian Oil Corporation Limited

BALANCE SHEET AS AT 31ST MARCH, 1984

	Schedule	Rupees (in lakhs)	Rupees (in lakhs)	1983 Rupees (in lakhs)
FUNDSEMPLOYED:				
1. Share Capital	'A'	12,326.58		12,326.58
2. Reserves and Surplus	'B'	<u>63,689.03</u>		<u>57,160.67</u>
3. Total Shareholders' Funds			76,015.61	<u>69,487.25</u>
4. Loans:				
(a) Secured	'C'	23,740.40		26,654.15
(b) Unsecured	'D'	<u>48,412.41</u>		29,616.58
			72,152.81	<u>56,270.73</u>
5. Total Funds Employed			<u>1,48,168.42</u>	<u>1,25,757.98</u>
APPLICATION OF FUNDS:				
6. Fixed Assets:				
(a) Gross Block	'E'	1,32,158.79		1,17,264.50
(b) Less: Depreciation		<u>67,250.62</u>		<u>49,462.79</u>
		64,908.17		67,801.71
(c) Construction Work-in-Progress and Capital Goods in Stock	'F'	<u>21,598.01</u>		<u>17,946.59</u>
			86,506.18	<u>85,748.30</u>
7. Investments	'G'		44.92	44.77
8. Current Assets, Loans and Advances:				
A. Current Assets:				
(a) Interest accrued on Investments		0.43		0.31
(b) Inventories	'H'	1,32,213.57		1,07,513.59
(c) Book Debts	'I'	26,287.79		31,478.23
(d) Cash Balances:				
Cash including Imprest and Cheques in hand		1,321.04		1,894.62
(e) Bank Balances:				
(i) With Scheduled Banks:				
(a) On Current Account		167.72		137.66
(b) On Fixed Deposit Account (including Rs. 15.54 lakhs—1983: Rs. Nil lodged with outside parties)		60.12		16.34
(c) On Blocked Account (including on Fixed Deposit Account Rs. 18.54 lakhs—1983: Rs. 10.91 lakhs)		19.73		14.46
(i) With Post Office:		0.05		0.04
On Savings Account	'J'	32,149.93		35,130.93
B. Loans and Advances				
	C/F....	<u>1,92,220.38</u>		<u>1,76,186.18</u>
	Carried Forward...		86,551.10	<u>85,793.07</u>

Indian Oil Corporation Limited

BALANCE SHEET AS AT 31ST MARCH, 1984—(Contd.)

	Schedule	Rupees (in lakhs)	Rupees (in lakhs)	1983 Rupees (in lakhs)
Brought Forward....			86,551.10	<u>85,793.07</u>
B/F....		1,92,220.38		1,76,186.18
9. Less: Current Liabilities and Provision	'K'	1,30,603.06		<u>1,36,221.27</u>
10. Net Current Assets: (Working Capital)—(8) minus (9)			61,617.32	<u>39,964.91</u>
TOTAL:			1,48,168.42	<u>1,25,757.98</u>
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)

S. K. COMAL
Director
(Finance)

B. K. BAKHSHI
Director
(Marketing)

D. B. PURI
Secretary

As per our Report attached

for RAY & RAY
Chartered Accountants

S.C. SAHA
Partner

New Delhi, 7th August, 1984.

for FORD, RHODES, PARKS & CO.
Chartered Accountants

G.R. PRADHAN
Partner



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1984

	Rupees (in lakhs)	Rupees (in lakhs)	1983 Rupees (in lakhs)
INCOME:			
1. (i) Sales of Products and Crude and Transfers under Product Exchange	10,28,675.02		9,79,336.91
(ii) Less: Commission and Discounts	475.52		440.92
	<u>10,28,181.50</u>		<u>9,78,895.99</u>
2. Company's use of own oil	2,212.36		2,445.33
		10,30,393.86	9,81,341.32
		310.76	250.97
3. Recovery of Main Installation and Other Charges			
4. Increase in Stocks:			
Closing Stock as on 31st March, 1984:			
Finished Products	66,681.27		63,004.17
Stock-in-Process	6,965.41		6,842.46
	<u>73,646.68</u>		<u>69,846.63</u>
Less: Opening Stock as on 1st April, 1983:			
Finished Products	63,004.17		43,684.92
Adjustments in respect of Opening Stock of Finished Products	(378.99)		1.98
Stock-in-Process	6,842.46		5,633.89
	<u>69,467.64</u>		<u>49,320.79</u>
		4,179.04	20,525.84
5. Interest:			
(i) On Advances	312.61		188.09
(ii) On Bank Fixed Deposits	8.44		1.99
(iii) On Post Office Savings Account	0.01		0.01
(iv) From Customers on Outstandings	794.16		831.33
		1,115.22	1,021.42
6. Other Income (Schedule 'L')		1,735.24	1,265.90
7. Provision for Doubtful Debts, Advances and Claims written back		323.91	88.08
8. Recovery under an Award		785.51	755.41
		<u>10,38,843.54</u>	<u>10,05,248.94</u>
TOTAL INCOME:			
EXPENDITURE:			
1. Purchase of Products and Crude for resale and Transfers under Product Exchange		4,48,131.00	4,84,745.51
2. Manufacturing, Administration, Selling and Other Expenses (Schedule 'M')		4,36,033.79	3,82,688.23
3. Duties		1,15,132.61	1,05,673.12
4. Depreciation and Amortisation		18,262.86	10,128.86
5. Main Installation charges paid to Other Oil Companies		71.07	109.99
		<u>10,17,631.33</u>	<u>9,83,345.71</u>
	Carried Forward		



Indian Oil Corporation Limited

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1984—(Contd.)

	Rupees (in lakhs)	Rupees (in lakhs)	1983 Rupees (in lakhs)
		10,17,631.33	9,83,345.71
6. Interest:			
(i) On Government Loan for fixed period	871.77		1,049.35
(ii) On loan from Oil Industry Development Board	1,176.62		1,139.56
(iii) On loan from Oil Co-ordination Committee	717.69		—
(iv) On loan from Maruti Udyog Limited	600.65		—
(v) On Foreign Credit for fixed period	0.04		0.55
(vi) On Public Deposits	1,227.19		678.27
(vii) Others (including Rs. Nil —1983: Rs. 9.30 lakhs on loan from Rashtriya Chemicals and Fertilizers Limited)	3,423.39		4,914.57
		8,017.35	7,782.30
		10,25,648.68	9,91,128.01
7. Less:			
(i) Amount transferred to Construction period expenses pending allocation	413.58		958.49
(ii) Expenses transferred to Manufacturing of Drums	102.40		87.79
		515.98	1,046.28
		10,25,132.70	9,90,081.73
		15,167.22	15,007.57
8. Profit for the year before tax		693.24	(159.64)
9. Add: Income relating to previous years (Net) (Schedule 'O')		14,404.08	15,167.21
10. PROFIT BEFORE TAX			3,750.00
11. Provision for taxation	6,150.00		
12. Less: Excess provision for taxation in respect of previous years' completed assessments	—		427.07
		6,150.00	3,322.93
13. PROFIT AFTER TAX		8,254.08	11,684.64
14. Development Rebate Reserve written back		1,004.00	301.16
15. Balance brought forward from last year's Account		0.87	0.79
		9,258.95	11,986.59
APPROPRIATIONS:			
17. Proposed Dividend		1,725.72	1,725.72
18. Investment Allowance Reserve		1,350.00	4,150.00
19. Insurance Reserve Account		10.00	10.00
20. General Reserve		6,173.00	6,100.00
21. BALANCE CARRIED TO BALANCE SHEET		0.23	0.87
		9,258.95	11,986.59
22. Notes forming part of Accounts (Schedule 'P')			

A. J. A. TAURO
Chairman

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

S. K. COMAL
Director
(Finance)

B. K. BAKHSHI
Director
(Marketing)

D. B. PURI
Secretary

As per our Report attached

for RAY & RAY
Chartered Accountants

S.C. SAHA
Partner

for FORD, RHODES, PARKS & CO.
Chartered Accountants

G.R. PRADHAN
Partner



Indian Oil Corporation Limited

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 1984

SCHEDULE 'A'—SHARE CAPITAL

	Rupees (in lakhs)	1983 Rupees (in lakhs)
SHARE CAPITAL:		
Authorized:		
15,00,000 Equity Shares of Rs. 1000 each	<u>15,000.00</u>	<u>15,000.00</u>
Issued and Subscribed:		
12,32,658 equity Shares of Rs. 1000 each fully paid up	<u>12,326.58</u>	<u>12,326.58</u>
Of the above Shares:		
(i) 3,76,497 Shares and 1,00,000 Shares were allowed 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) 4,10,886 Shares were allotted as fully paid up Bonus Shares by Capitalisation of Reserve		
TOTAL:	<u><u>12,326.58</u></u>	<u><u>12,326.58</u></u>

SCHEDULE 'B'—RESERVES AND SURPLUS

	Rupees (in lakhs)	Rupees (in lakhs)	1983 Rupees (in lakhs)
RESERVES AND SURPLUS:			
General Reserve:			
As per last Account	43,396.53		37,296.53
Transferred from Profit and Loss Account	<u>6,173.00</u>		<u>6,100.00</u>
		<u>49,569.53</u>	<u>43,396.53</u>
Insurance Reserve:			
As per last Account	70.00		60.00
Transferred from Profit and Loss Account	<u>10.00</u>		<u>10.00</u>
		<u>80.00</u>	<u>70.00</u>
Development Rebate Reserve:			
As per last Account	1,163.27		1,464.43
Less: Transferred to Profit and Loss Account	<u>1,004.00</u>		<u>301.16</u>
		<u>159.27</u>	<u>1,163.27</u>
Investment Allowance Reserve:			
As per last Account	4,150.00		3,100.00
Less: Utilised for purchase of machinery transferred to Investment Allowance (Utilised) Reserve	<u>4,150.00</u>		<u>3,100.00</u>
Add: Transferred from Profit and Loss Account	<u>1,350.00</u>		<u>4,150.00</u>
		<u>1,350.00</u>	<u>4,150.00</u>
Investment Allowance (Utilised) Reserve:			
As per last Account	8,380.00		5,280.00
Transferred from Investment Allowance Reserve	<u>4,150.00</u>		<u>3,100.00</u>
		<u>12,530.00</u>	<u>8,380.00</u>
Profit and Loss Account as per Annexed Account		<u>0.23</u>	<u>0.87</u>
TOTAL:		<u><u>63,689.03</u></u>	<u><u>57,160.67</u></u>

Indian Oil Corporation Limited

Index

SCHEDULE 'C'—SECURED LOANS

	Rupees (in lakhs)	1983 Rupees (in lakhs)
SECURED LOANS:		
Loans and Advances from Banks (Secured by hypothecation of inventories, book debts, outstanding monies, recoverable claims, contracts, engagements, etc.)	22,861.20	26,157.86
Interest accrued and due on above	879.20	496.29
TOTAL:	23,740.40	26,654.15

SCHEDULE 'D'—UNSECURED LOANS

	Rupees (in lakhs)	1983 Rupees (in lakhs)
UNSECURED LOANS:		
Other Loans and Advances:		
(i) The Government of India (including Rs. 1,807.63 lakhs — 1983: Rs. 1,807.63 lakhs due for payment within one year)	7,358.25	9,165.88
(ii) Oil Industry Development Board (including Rs. 1,881.92 lakhs — 1983: Rs. 1,675.55 lakhs due for payment within one year)	10,249.74	14,113.25
(iii) Oil Co-ordination Committee (including Rs. Nil —1983: Rs. Nil due for payment within one year)	17,715.00	—
(iv) Interest accrued and due on loan from Oil Co-ordination Committee	0.29	—
(v) Foreign Credits	—	4.18
(vi) Maruti Udyog Limited (due for payment within one year)	2,300.00	—
(vii) Public Deposits (including Rs. 2,509.72 lakhs —1983: Rs. 1,352.83 lakhs due for payment within one year)	10,562.23	6,241.28
(viii) Interest accrued and due on Public Deposits	226.56	86.57
(ix) Others (including Rs. Nil —1983: Rs. Nil due for payment within one year)	0.34	4.72
TOTAL:	48,412.41	29,616.58



SCHEDULE 'E'—FIXED ASSETS

	Gross Block as at 31st March, 1983 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	1,038.43	111.32	—	(—) 6.84
— Leasehold	458.63	13.07	—	(—) 4.90
— Right of way	80.76	0.43	—	(—) 1.67
BUILDINGS, ROADS, ETC.	7,870.38	231.04	1,780.23	(—) 24.25
PLANT AND MACHINERY	99,086.37	6,576.05	5,496.73	(—) 562.83
TRANSPORT EQUIPMENT	2,680.14	272.63	120.01	(—) 40.47
FURNITURE AND FIXTURES	516.43	140.28	0.32	(—) 5.48
RAILWAY SIDINGS	1,410.52	7.99	33.82	(+) 0.99
DRAINAGE, SEWAGE AND WATER SUPPLY SYSTEM	4,109.27	3.53	693.14	(+) 61.34
SUNDRY ASSETS	13.57	1.39	—	(—) 3.58
TOTAL:	1,17,264.50	7,357.73	8,124.25	(—) 587.69
PREVIOUS YEAR:	89,259.34	4,913.74	23,369.04	(—) 277.62

* Includes **Rs. 16.52 lakhs** (1983: Rs. 444.46 lakhs) in respect of previous years.
Building include **Rs. 33,050** (1983: Rs. 32,800) towards value of **661** (1983: 656) Shares in Co-operative Housing Societies for purchase of flats which were earlier classified under Investments.

Indian Oil Corporation Limited

SCHEDULE 'E'—FIXED ASSETS (Contd...)

Gross Block as at 31st March, 1984 at cost	Depreciation and Amortisation charge this year*	Total Depreciation and Amortisation up to 31st March, 1984	NET BLOCK	
			As at 31st March, 1984	1983
Rupees (in lakhs)	Rupees (in lakhs)	Rupees (in lakhs)	Rupees (in lakhs)	Rupees (in lakhs)
1,142.91	—	—	1,142.91	1,038.43
466.80	8.68	38.65	428.15	428.66
79.52	—	—	79.52	80.76
9,857.40	316.65	1,907.89	7,949.51	6,274.64
1,10,596.32	16,805.63	60,764.30	49,832.02	54,673.16
3,032.31	308.83	1,633.03	1,399.28	1,319.96
651.55	58.83	314.52	337.03	257.76
1,453.32	87.58	379.87	1,073.45	1,118.11
4,867.28	691.97	2,203.56	2,663.72	2,605.28
11.38	1.21	8.80	2.58	4.95
1,32,158.79	18,279.38	67,250.62	64,908.17	67,801.71
1,17,264.50	10,573.32	49,462.79	67,801.71	

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

	Rupees (in lakhs)	Rupees (in lakhs)	1983 Rupees (in lakhs)
CONSTRUCTION WORK-IN-PROGRESS AND CAPITAL GOODS IN STOCK:			
1. Work-in-Progress (at cost) (including unallocated capital expenditure, materials at site and advances for capital expenditure)		13,464.67	10,512.65
2. Capital Stores (at cost) including Rs. 736.48 lakhs lying with Contractors (1983: Rs. 503.50 lakhs)		5,403.40	4,964.32
3. Miscellaneous Capital Stores (at or under cost)		34.49	28.65
4. Capital Goods-in-Transit (at cost)		1,694.64	1,597.20
5. Construction period expenses pending allocation:			
Balance as at 1st April, 1983	843.77		3,013.42
Less: Adjustment pertaining to previous years	27.88		7.65
	815.89		3,005.77
Add: Expenditure during the year:			
Establishment Charges	53.55		78.06
Interest	133.33		539.97
Depreciation	13.20		12.67
Others	257.66		400.22
	1,273.63		4,036.69
Less: Recoveries	44.16		72.43
	1,229.47		3,964.26
Less: Allocated to Assets/Construction work-in-progress during the year	228.96		3,120.49
		1,000.51	843.77
TOTAL:		21,598.01	17,946.59

Indian Oil Corporation Limited

SCHEDULE 'G'—INVESTMENTS

	Rupees (in lakhs)	Rupees (in lakhs)	1983 Rupees (in lakhs)
INVESTMENT at cost (Unquoted):			
1. In Government Securities (deposited with various bodies)		2.56	2.41
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 (1983: Rs. 2,500)			
(ii) Gauhati—250 Equity Shares of Rs. 10 each fully paid in cash— Rs. 2,500 (1983: Rs. 2,500)			
(iii) Haldia—408 Equity Shares of Rs. 10 each fully paid in cash— Rs. 4,080 (1983: Rs. 4,080)			
(iv) Mathura—200 Equity Shares of Rs. 10 each fully paid in cash— Rs. 2,000 (1983: Rs. 2,000)			
(v) Indian Oil Employees Consumers' Co-operative Society Limited, Bombay—170 Equity Shares of Rs. 10 each fully paid in cash— Rs. 1,700 (1983: Rs. 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 (1983: Rs. 7,000)			
(vii) Indian Oil Employees Co-operative Consumers' Stores Limited Delhi—375 Equity Shares of Rs. 10 each fully paid in cash— Rs. 3,750 (1983: Rs. 3,750)	0.24		0.24
(c) In Co-operative Housing Society:			
New Silver Home—5 Shares of Rs. 50 each fully paid in cash— Rs. 250 (1983: Rs. 250)		2.36	2.36
3. In Subsidiary Companies:			
(i) Indian Oil Blending Limited—8000 Equity Shares of Rs. 500 each fully paid in cash— Rs. 40,00,000 (1983: Rs. 40,00,000)		40.00	40.00
(ii) India Trading (Holdings) Limited—30 Ordinary Shares of Re. 1 each fully paid in cash— Rs. 30 (1983: Rs. 30)			
TOTAL:		<u>44.92</u>	<u>44.77</u>

SCHEDULE 'H'—INVENTORIES

	Rupees (in lakhs)	Rupees (in lakhs)	1983 Rupees (in lakhs)
INVENTORIES			
1. Stores, Spares etc:			
(a) Stores and Spare parts (at or under cost)	10,209.13*		9,214.07*
(b) Stores-in-Transit (at cost)	<u>1,007.53</u>		<u>1,141.80</u>
	11,216.66		10,355.87
(c) Less: Provision	<u>38.56</u>		<u>9.44</u>
		11,178.10	10,346.43
2. Raw Materials (including in-transit Rs. 25001.71 lakhs —1983: Rs. 6976.14 lakhs) (at cost)		47,163.86†	27,128.41†
3. Stock-in-Trade:			
(a) Oil Stocks (at cost @ or net realisable value whichever is lower) (including in- transit at cost Rs. 11033.12 lakhs —1983: Rs. 12199.98 lakhs)	66,681.27‡		63,044.17‡
	<u>6,965.41</u>		<u>6,842.46</u>
(b) Stock-in-Process (at or under cost)		73,646.68	69,846.63
4. Stock of empty Barrels and Tins (at cost or net realisable value whichever is lower)		<u>224.93§</u>	<u>192.12§</u>
TOTAL:		<u>1,32,213.57</u>	<u>1,07,513.59</u>
* Includes stock lying with contractors Rs. 433.24 lakhs (1983: Rs. 536.93 lakhs)			
† Includes stock lying with Other Oil Companies on loan Rs. Nil (1983: Rs. 4403.34 lakhs) and with Others Rs. 804.12 lakhs (1983: Rs. 837.59 lakhs)			
‡ Includes stock lying with Other Oil Companies on loan Rs. 8,755.68 lakhs (1983: Rs. 4,927.35 lakhs) and with Others Rs. 1,615.95 lakhs (1983: Rs. 1,891.29 lakhs)			
§ Includes stock lying with Others Rs. 42.05 lakhs (1983: Rs. 24.37 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)	1983 Rupees (in lakhs)
BOOK DEBTS:			
Over Six Months:			
(a) Secured Considered Good	1.03		3.84
(b) Unsecured Considered Good	1,802.23		1,167.04
(c) Unsecured Considered Doubtful	<u>753.17</u>		<u>488.40</u>
		2,556.43	1,659.28
Other Debts:			
(a) Secured Considered Good	5.21		8.31
(b) Unsecured Considered Good	24,479.32		30,299.04
(c) Unsecured Considered Doubtful	<u>36.14</u>		<u>169.16</u>
		24,520.67	30,467.51
		27,077.10	32,135.79
Less: Provision for Doubtful Debts		<u>789.31</u>	<u>657.56</u>
TOTAL:		<u>26,287.79</u>	<u>31,478.23</u>



Indian Oil Corporation Limited

SCHEDULE 'J'—LOANS AND ADVANCES

	Rupees (in lakhs)	Rupees (in lakhs)	1983 Rupees (in lakhs)
LOANS AND ADVANCES:			
1. Advances recoverable in cash or in kind or for value to be received:			
(a) Secured Considered Good*	1,635.73		1,304.11
(b) Unsecured Considered Good*	12,010.83		20,086.07
(c) Unsecured Considered Doubtful	<u>39.66</u>		<u>41.03</u>
	13,686.22		21,431.21
	<u>39.66</u>		<u>41.03</u>
(d) Less: Provision for Doubtful Advances		13,646.56	21,390.18
2. Claims Recoverable:			
(a) Secured Considered Good	3.12		2.02
(d) Unsecured Considered Good	5,573.19		6,408.85
(c) Unsecured Considered Doubtful	<u>1,205.88</u>		<u>782.57</u>
	6,782.19		7,193.44
(d) Less: Provision for Doubtful Claims	<u>1,205.88</u>		<u>782.57</u>
		5,576.31	6,410.87
3. Materials on Loan:			
(a) Secured Considered Good	37.94		32.12
(b) Unsecured Considered Good	<u>3.35</u>		<u>11.78</u>
		41.29	43.90
4. Balances with Customs, Port Trust and Excise Authorities:			
Unsecured Considered Good		690.80	854.43
5. Sundry Deposits (including amount adjustable on receipt of final bills):			
(a) Secured Considered Good	11,578.06		6,094.32
(b) Unsecured Considered Good	482.99		337.23
(c) Unsecured Considered Doubtful	<u>0.39</u>		<u>50.98</u>
	12,061.44		6,482.53
(d) Less: Provision for Doubtful Sundry Deposits	<u>0.39</u>		<u>50.98</u>
		12,061.05	6,431.55
6. Deposit under Companies Deposits (Surcharge on Income-tax) Scheme, 1983:			
Unsecured Considered Good		133.92	—
		32,149.93	35,130.93
TOTAL:		32,149.93	35,130.93

*Includes:

- Rs. 2,46,378 (1983: Rs. 1,28,249) due from Directors (Maximum Rs. 2,55,869—1983: Rs. 1,28,249)
- Rs. 16.10 lakhs (1983: Rs. 16.31 lakhs) due from other Officers (Maximum Rs. 18.91 lakhs—1983: Rs. 21.84 lakhs)



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

	Rupees (in lakhs)	Rupees (in lakhs)	1983 Rupees (in lakhs)
MANUFACTURING, ADMINISTRATION, SELLING AND OTHER EXPENSES:			
1. Raw Materials Consumed:			
Opening Balance as on 1st April, 1983	27,128.41		45,550.57
Add: Adjustments to Opening Stock	<u>23.05</u>		<u>(12.76)</u>
	27,151.46		45,537.81
Add: Purchases	<u>3,96,874.14</u>		<u>3,14,763.35</u>
	4,24,025.60		3,60,301.16
Less: Closing Stock	<u>47,163.86</u>		<u>27,128.41</u>
		3,76,861.74	3,33,172.75
2. Consumption:			
(i) Stores and Spares (including Consumables)	2,539.96		2,049.27
(ii) Packages	<u>5,822.77</u>		<u>5,595.15</u>
		8,362.73	7,644.42
3. Power and Fuel	17,199.94		15,056.29
Less: Fuel of own production	<u>16,296.23</u>		<u>14,146.03</u>
		930.71	910.26
4. Processing Fees, Blending Fees, Royalty and Other Charges		419.62	407.08
5. Provision for renewal of Catalyst		—	28.32
6. Repairs and Maintenance:			
(a) Plant and Machinery	3,482.41		2,616.90
(b) Buildings	589.82		433.89
(c) Other	<u>551.40</u>		<u>459.33</u>
		4,623.63	3,510.12
7. Freight and Transportation Charges (net of recoveries from Industry Pool Accounts)		28,625.72	23,100.24
8. Irrecoverable Sales Tax		19.27	170.20
9. Payments to and Provision for Employees:			
(a) Salaries, Wages, Bonus etc.	7,736.41		6,621.12
(b) Contribution to Provident and Other Funds	613.66		403.12
(c) Staff Welfare Expenses	1,086.77		697.95
(d) Gratuity and Ex-Gratia	<u>341.28</u>		<u>573.70</u>
		9,778.12	8,295.89
10. Office Administration, Selling and Other Expenses (Schedule 'N')		6,412.25	5,448.95
TOTAL:		<u>4,36,033.79</u>	<u>3,82,688.23</u>

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

	Rupees (in lakhs)	Rupees (in lakhs)	1983 Rupees (in lakhs)
OFFICE ADMINISTRATION, SELLING AND OTHER EXPENSES:			
1. Rent		945.10	652.73
2. Insurance		418.42	354.44
3. Rates and Taxes		232.55	218.07
4. Donations		24.83	6.82
5. Payments to Auditors:			
(a) Audit Fees	4.00		4.00
(b) Other Services (for issuing certificates etc.)	0.51		0.32
(c) Out of Pocket expenses	2.13		1.94
		6.64	6.26
6. Travelling and Conveyance		899.62	645.00
7. Communication Expenses		425.42	336.27
8. Printing and Stationery		228.16	190.99
9. Electricity and Water		272.26	231.50
10. Other Expenses		1,693.35*	1,453.12*
11. Bad Debts, Advances and Claims written off		26.78	15.78
12. Loss on Assets sold, lost or written off		21.51	14.75
13. Technical Assistance by Engineers India Limited		145.37	255.99
14. Exchange Fluctuations (Net)		—	290.12
15. Provision for Doubtful Debts, Advances, Claims, Deposits and Stores		856.13	601.25
16. Security Force Expenses		203.22	147.79
17. Pollution Control Expenses		12.89	28.07
		6,412.25	5,448.95
	TOTAL:		

*Includes Bank Charges **Rs. 138.15 lakhs**—1983: Rs. 119.33 lakhs

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

	Rupees (in lakhs)	Rupees (in lakhs)	1983 Rupees (in lakhs)
INCOME:			
1. (i) Sale of products and Crude and Transfers under Product Exchange	1,747.58		265.27
(ii) Less: Commission and Discounts	—		1.35
	<u>1,747.58</u>		<u>263.92</u>
2. Company's use of own oil	<u>(22.11)</u>		<u>75.28</u>
		1,725.47	339.20
3. Adjustment in respect of Opening Stock of Finished Products		(378.99)	1.98
4. Recovery of Main Installation and Other Charges		18.56	(4.46)
5. Interest:			
On Advances	—		154.32
From Customers on outstandings	(23.28)		58.99
others	—		(3.11)
		(23.28)	<u>210.20</u>
6. Sale of Power and Water		1.44	68.70
7. Profit on sale and disposal of Assets		2.08	—
8. Miscellaneous Income		10.08	28.71
		<u>1,355.36</u>	<u>644.33</u>
TOTAL INCOME:			

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

	Rupees (in lakhs)	Rupees (in lakhs)	1983 Rupees (in lakhs)
EXPENSES:			
1. Purchase of products and Crude for resale and transfers under Product Exchange		(903.78)	(230.23)
2. Raw Materials consumed:			
(i) Adjustment in respect of Opening Stock	(23.05)		12.76
(ii) Purchases	284.89		417.69
		261.84	430.45
3. Consumption:			
(i) Stores and Spares (including Consumables)	(50.86)		9.29
(ii) Packages	(10.11)		(3.99)
		(60.97)	5.30
4. Repairs and Maintenance:			
(i) Plant and Machinery	(6.09)		(15.58)
(ii) Buildings	8.00		(6.27)
(iii) Others	13.79		48.21
		15.70	26.36
5. Freight and Transportation Charges (net of recoveries from Industry Pool Account)		104.66	(9.24)
6. Provision for renewal of Catalyst		(66.33)	6.83
7. Payments to and Provision for Employees:			
(i) Salaries, Wages, Bonus etc.	36.15		(8.75)
(ii) Contribution to Provident and Other Funds	5.17		2.56
(iii) Gratuity and Ex-Gratia	(4.59)		—
		36.73	16.19
8. Rent		90.89	54.56
9. Insurance		(6.14)	(0.59)
10. Main Installation Charges paid to Other Oil Companies		(4.23)	—
11. Other Expenses		(51.07)	(20.51)
12. Irrecoverable Sales Tax		(167.23)	—
13. Processing Fees, Blending Fees, Royalty and Others Charges		9.52	—
14. Communication Expenses		(7.63)	—
15. Duties		322.95	70.95
16. Depreciation and Amortisation		16.52	444.46
17. Interest:			
Others		1,056.88	13.35
18. Technical Fees		4.32	4.39
19. Power and Fuel		—	6.43
20. Rates and Taxes		(18.39)	—
		634.24	796.32
21. Amount transferred to construction period expenses pending allcation		(27.88)	(7.65)
		662.12	803.97
TOTAL EXPENSES:		662.12	803.97
NET INCOME/(EXPENSES):		693.24	(159.64)

Indian Oil Corporation Limited

SCHEDULE 'P'—NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1984

1. Contingent Liabilities not provided for:
 - (a) Claims against the Corporation not acknowledged as debts **Rs. 4,959.16 lakhs** (1983: Rs. 6,594.40 lakhs)
 - (i) **Rs. 1,618.45 lakhs** (1983: Rs. 2,979.70 lakhs) being the demands made by the Central Excise.
 - (ii) **Rs. 607.66 lakhs** (1983: Rs. 356.17 lakhs) in respect of Sales Tax.
 - (iii) **Rs. 1,306.47 lakhs** (1983: Rs. 959.64 lakhs) for which suits have been filed in the Courts or cases are lying with arbitrators, including **Rs. 204.07 lakhs** (1983: 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. 1,848.53 lakhs** (1983: Rs. 1,408.88 lakhs).
 - (c) Bills discounted with Banks **Rs. 359.02 lakhs** (1983: Rs. 138.30 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. 35,798.91 lakhs** (1983: Rs. 11,023.93 lakhs).
3.
 - (a) Title Deeds for Land and Residential Apartments of the book value of **Rs. 653.11 lakhs** (1983: Rs. 505.15 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 determine and provided for in respect of:
 - (i) Claims in respect of land acquired for Mathura Refinery.
 - (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. 285.82 lakhs** (1983: Rs. 125.36 lakhs) towards interest although disputed by parties is considered good by the Management.
6. No Credit has been taken for the following *inter alia*:
 - (i) Under an award given for the price of RFO/LSHS supplied to Gujarat Electricity Board, the Corporation has received **29 instalments** (1983: 25 instalments) totalling **Rs. 5,02.98 lakhs** (1983: Rs. 4,227.47 lakhs) which accrued, became due and receivable up to this year. The credit for the balance amount of **Rs. 2,315.38 lakhs** (1983: Rs. 3,100.98 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. Adjustments for certain inter oil company transactions 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:

	1983-84	1982-83
	Rupees	Rupees
(i) Salaries and Allowance	3,31,873	2,73,941
(ii) Contribution to Provident Fund	25,614	22,479
(iii) Gratuity	7,451	7,212
(iv) Other Benefits and Perquisites	1,10,809	88,623
TOTAL:	4,75,747	3,92,255

In addition, Whole-time Directors are also allowed the use of Corporation's car for private purposes up to 6,000 Kms. per annum on a payment of Rs. 100 per month up to 30-11-83 and Rs. 150 per month from 1-12-83.
10. The Profit and Loss Account includes:
 - (a) Expenditure on Public Relations and Publicity amounting to **Rs. 104.25 lakhs** (1983: Rs. 126.46 lakhs) which is inclusive of **Rs. 21.09 lakhs** (1983: Rs. 19.55 lakhs) on account of staff and establishment and **Rs. 83.16 lakhs** (1983: Rs. 106.89 lakhs) payment to others. The ratio of annual expenditure on Public Relations and Publicity to the annual turnover is **0.00010:1** (1983:0.00013:1)
 - (b) Entertainment expenses **Rs. 7.06 lakhs** (1983: Rs. 6.77 lakhs).
11. Statement of Accounting Policies and Schedules 'A' to 'X' to the Balance Sheet and Profit and Loss Account from part of these Accounts.
12. Figures in brackets indicate deductions.
13. Grouping for the purpose of presentation of Accounts has been followed by Assam Oil Division as far as practicable.
14. Previous year's comparative figures have been regrouped to the extent practicable, wherever necessary.

A. J. A. TAURO
Chairman

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

S. K. COMAL
Director
(Finance)

B. K. BAKHSHI
Director
(Marketing)

D. B. PURI
Secretary



Indian Oil Corporation Limited

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

	PETROLEUM PRODUCTS	
	1984 MTS (in lakhs)	1983 MTS (in lakhs)
1. Licensed Capacity		
2. Installed Capacity*	182.50	182.50
3. Actual Production	187.50	187.50
4. Product Processed/Manufactured by Others	180.77	166.62
	6.80	—

Note: 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 yer operating in two shifts

‡ Quantity in Cubic meters

§ Quantity in Kilolitres

SCHEDULE 'R'—FINISHED PRODUCTS—QUALITY AND VALUE PARTICULARS—TURNOVER

	OPENING STOCK			PURCHASES INCLUDING DUTIES		
	QUANTITY		VALUE	QUANTITY		VALUE
	MTs (in lakhs)	KLs (in lakhs)	Rupees (in lakhs)	MTs (in lakhs)	KLs (in lakhs)	Rupees (in lakhs)
1. PETROLEUM PRODUCTS:						
Year ended 31st March, 1984	12.41	17.21	57,309.09	25.14	138.62	357,653.19
Year ended 31st March, 1983	7.47	12.30	38,266.52	20.47	158.12	379,789.78
2. LUBRICANTS AND GREASES:						
Year ended 31st March, 1984	0.04	0.60	5,695.02	0.02	0.02	915.72
Year ended 31st March, 1983	0.05	0.60	5,418.36	0.02	0.02	628.20
3. OXYGEN GAS:						
Year ended 31st March, 1984	0.01†	—	0.06	—	—	—
Year ended 31st March, 1983	0.01†	—	0.04	—	—	—
4. CRUDE OIL:						
Year ended 31st March, 1984	—	—	—	93.37	—	165,722.47
Year ended 31st March, 1983	—	—	—	93.42	—	173,254.83
5. BASE OIL AND ADDITIVES:						
Year ended 31st March, 1984	—	—	—	0.45	0.80	5,194.98
Year ended 31st March, 1983	—	—	—	0.45	0.89	5,254.84
TOTAL:						
Year ended 31st March, 1984	0.01†	—	—	—	—	—
	12.45	17.81	63,004.17	118.98	139.44	529,486.36
Year ended 31st March, 1983	0.01†	—	—	—	—	—
	7.52	12.90	43,684.92	114.36	159.03	558,927.65

† Cubic Meters.

- Notes: 1. Purchases and Sales exclude value 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. 315.43 lakhs** (1983: Rs. 0.36 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.



Indian Oil Corporation Limited

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

LUBRICATING OILS		WAX/BITUMEN/ASPHALT/ LUBE OIL DRUMS		OXYGEN PLANT	
1984 MTS (in lakhs)	1983 MTS (in lakhs)	1984 Nos. (in lakhs)	1983 Nos. (in lakhs)	1984 (in lakhs)	1983 (in lakhs)
1.70	1.70	15.00	15.00	Not specified	Not specified
1.40†	1.40†	0.04 MTS 15.00†	0.04MTs 15.00‡	0.84‡	0.84‡
1.14	1.24	11.29	12.80	0.42‡	0.38‡
1.06	1.05	20.41	21.30	—	—
1.48§	1.34§				

SCHEDULE 'R'—FINISHED PRODUCTS—QUALITY AND VALUE PARTICULARS—TURNOVER

SALES			CLOSING STOCK		
QUANTITY		VALUE	QUANTITY		VALUE
MTs (in lakhs)	KLs (in lakhs)	Rupees (in lakhs)	MTs (in lakhs)	KLs (in lakhs)	Rupees (in lakhs)
74.66	292.09	819,218.37	11.85	19.39	60,908.31
63.96	287.85	766,378.70	12.41	17.21	57,309.09
0.38	3.56	38,397.83	0.06	0.59	5,772.93
0.21	3.51	34,309.33	0.04	0.60	5,695.02
0.22†	—	1.56	0.01†	—	0.03
0.19†	—	1.38	1.01†	—	0.06
93.37	—	165,723.63	—	—	—
93.42	—	173,266.56	—	—	—
0.45	0.80	5,315.63	—	—	—
0.45	0.89	5,380.94	—	—	—
0.22†			0.01†		
168.86	296.45	1028,657.02	11.91	19.98	66,681.27
0.19†			0.01†		
158.04	292.25	979,336.91	12.45	17.81	63,004.17

Indian Oil Corporation Limited

SCHEDULE 'S'—CONSUMPTION PARTICULARS OF RAW MATERIALS

Kls	QUANTITY			1983		
	QUANTITY		VALUE	QUANTITY		VALUE
	Rupees (in lakhs)	(in lakhs)	MTs (in lakhs)	KLs (in lakhs)	Rupees (in lakhs)	MTs (in lakhs)
Crude Oil	201.44	—	3,52,416.28	177.47	—	3,11,718.17
Base Oils	0.84	1.07	17,957.03	0.98	0.69	17,188.59
Additives	0.07	0.11	6,488.43	0.07	0.08	4,265.99
Steel Coils and Sheets*	0.37	—	2,354.01	0.43	—	2,548.47
TOTAL:	202.72	1.18	3,79,215.75	178.95	0.77	3,35,721.22

- 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

	Number	1983	
		Rupees (in lakhs)	Rupees (in lakhs)
1. Employees employed throughout the year and in receipt of total remuneration not less than Rs. 36,000 per annum:			
Number	4,798	2,388	
(a) Salaries, Wages, Bonus etc.		1,909.77	938.46
(b) Contribution to Provident Fund/Family Pension Fund		123.70	62.63
(c) TOTAL (a) + (b)		2,033.47	1,001.09
2. Employees employed for part of the year and in receipt of remuneration not less than Rs. 3,000 per month:			
Number	240	177	
(a) Salaries, Wages, Bonus etc.		47.66	23.89
(b) Gratuity paid		27.06	21.91
(c) Contribution to Provident Fund/Family Pension Fund		2.91	1.55
(d) TOTAL (a) + (b) + (c)		77.63	47.35

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



SCHEDULE 'S'—CONSUMPTION PARTICULARS OF RAW MATERIALS

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

	Rupees (in lakhs)	1983 Rupees (in lakhs)
1. Royalty (excluding income-tax) and Tehnical Service Fees	155.89	49.91
2. Processing Fees	464.72	—
3. Professional consultation fees including Legal expenses	129.80	10.92
4. Interest	6.57	1.54
5. Others	90.07	77.00
TOTAL:	<u>847.05</u>	<u>139.37</u>

The above figures are compiled on accrual basis.

SCHEDULE 'V'—EARNINGS IN FOREIGN EXCHANGE

	Rupees (in lakhs)	1983 Rupees (in lakhs)
1. Export of Goods calculated on FOB Basis:		
Export of Petroleum Products	1,72,164.53*	1,45,915.96*
2. Interest	22.23	—
3. Other Income and Service Charges	3.52	66.07
TOTAL:	<u>1,72,190.28</u>	<u>1,45,982.03</u>

*Includes **Rs. 11,755.38 lakhs** (1983: Rs. 9,094.90 lakhs) received in Indian Currency out of repatriable funds of foreign customers and other export sales through canalising agencies.

The above figures are compiled on accrual basis.

Indian Oil Corporation Limited

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

PARTICULARS	Rupees	1983
	(in lakhs)	Rupees (in lakhs)
Crude Oil	1,99,122.58	1,64,449.31
Base Oils	2,895.43	2,499.06
Additives	1,271.13	262.53
Capital Goods	1,602.27	877.60
Revenue Stores, Components and Spare Parts and Chemicals	546.72	547.28
TOTAL:	2,05,438.13	1,68,635.78

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/STORES/SPARE PARTS AND COMPONENTS

	1984				1983			
	IMPORTED		INDIGENOUS		IMPORTED		INDIGENOUS	
	Value Rupees (in lakhs)	% to total Con- sumption	Value Rupees (in lakhs)	% to Total Con- sumption	Value Rupees (in lakhs)	% to total sumption	Value Con- (in lakhs)	% to Rs Con. sumption
1. Crude Oil	1,44,465.92	41	2,07,950.36	59	1,24,182.07	40	1,87,536.10	60
2. Base Oils and Additives	5,104.97	21	19,340.49	79	5,220.21	24	16,234.37	76
3. Steel Coils/Sheets*/Stores/ Spare parts and Components	1,159.70	21	4,460.42	79	1,258.29	24	3,992.78	76
TOTAL:	1,50,730.59		2,31,751.27		1,30,660.57		2,07,763.25	

Note: Consumption of steel coils and sheets imported through Canalising Agency has been considered as Imported.

*Shown under package 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. Share in the Subsidiary Companies were Registered in the name of the Company and their nominees as indicated		
At as 31st March, 1984		
Indian Oil Blending Limited	8000	40,00,000
Indian Trading (Holdings) Limited	30	30
	For the Financial year ended 31st March, 1984	Previous Financial year cumulative Total
	Rupees (in lakhs)	Rupees (in lakhs)
2. Net aggregate amount of the Profit of Subsidiary Companies not dealt within the Company's Accounts so far as they concern the members of the Company are:		
Indian Oil Blending Limited	17.08	158.92
Indian Trading (Holding) 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	31.11
Indian Trading (Holding) Limited	Nil	Nil

A. J. A. TAURO
Chairman

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

S. K. COMAL
Director
(Finance)

B. K. BAKHSHI
Director
(Marketing)

D. B. PURI
Secretary

New Delhi, 7th August, 1984.

Indian Oil Corporation Limited

SCHEDULE OF FIXED ASSETS (TOWNSHIP)

	Gross Block as at 31st March, 1983 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)
1. LAND — Freehold	108.73	—	—	—
— Leasehold	18.12	0.08	—	—
2. BUILDINGS, ROADS, ETC.	2,585.65	21.16	581.35	(—) 14.73
3. PLANT AND MACHINERY	144.17	0.15	6.24	(—) 0.10
4. DRAINAGE, SEWAGE AND WATER SUPPLY SYSTEM	246.74	1.09	6.94	(—) 0.02
5. EQUIPMENT AND APPLIANCES	62.40	14.95	—	(—) 2.20
6. FURNITURE AND FIXTURES	31.62	13.00	—	(—) 0.12
7. VEHICLES	68.75	18.76	—	(—) 5.02
8. SUNDRY ASSETS	0.95	0.40	—	—
TOTAL:	3,267.13	69.59	594.53	(—) 22.19
<i>PREVIOUS YEAR:</i>	<i>2,771.27</i>	<i>46.71</i>	<i>458.27</i>	<i>(—) 9.12</i>

Indian Oil Corporation Limited

SCHEDULE OF FIXED ASSETS (TOWNSHIP)

Gross Block as at 31st March, 1984 at cost	Depreciation and Amortisation provided during the year	Total Depreciation and Amortisation up to 31st March, 1984	Net Depreciated Block	
			As at 31st March, 1984	1983
Rupees (in lakhs)	Rupees (in lakhs)	Rupees (in lakhs)	Rupees (in lakhs)	Rupees (in lakhs)
108.73	—	—	108.73	108.73
18.20	0.24	2.50	15.70	15.85
3,173.43	74.82	524.30	2,649.13	2,135.03
150.46	10.72	71.10	79.36	83.76
254.75	43.78	139.46	115.29	151.06
75.15	7.99	40.52	34.63	29.70
44.50	3.90	16.64	27.86	18.84
82.49	9.63	43.48	39.01	34.61
1.35	0.21	0.65	0.70	0.50
3,909.06	151.29	838.65	3,070.41	2,578.08
3,267.13	99.12	689.05	2,578.08	

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1984 ON PROVISION FOR TOWNSHIP, EDUCATION, MEDICAL AND OTHER FACILITIES

	Rupees (in lakhs)	1983 Rupees (in lakhs)
INCOME:		
1. Recovery of House Rent	74.90	50.00
2. Recovery of Utilities: Power and Water	8.42	8.77
3. Recovery of Transport Charges	5.64	4.90
4. Other Recoveries	84.91	58.66
5. Excess of Expenditure over Income	1,473.37	1,239.90
TOTAL:	1,647.24	1,362.23
EXPENDITURE:		
1. Salaries, Wages and PF Contribution	433.00	319.74
2. Consumable Stores and Medicines	136.25	114.23
3. Subsidies for Social and Cultural Activities	104.49	97.14
4. Repairs and Maintenance	249.41	234.41
5. Interest	221.27	185.33
6. Depreciation	151.29	99.12
7. Miscellaneous Expenses:		
Taxes, Licence Fees, Insurance etc.	99.52	78.02
8. Utilities: Power and Gas	233.90	220.22
9. Land Rent	9.22	5.21
10. Welfare (School)	1.21	1.21
11. Bus Hire Charges	4.00	3.82
12. Club and Recreation	3.68	3.78
TOTAL:	1,647.24	1,362.23

Indian Oil Corporation Limited

COMMENTS OF COMPTROLLER AND AUDITOR-GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF INDIAN OIL CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH, 1984 AND REPLIES OF THE BOARD OF DIRECTORS

Sl. No.	Comments of the Comptroller and Auditor-General of India	Replies of the Board of Director
BALANCE SHEET		
APPLICATION OF FUNDS		
1.	6. Fixed Assets	
	(a) 1. Work-in-progress (at cost) Rs. 13,464.97 lakhs	
	This includes :	
	Rs. 2.98 lakhs representing value of land acquired and Rs. 18.62 lakhs, being expenditure incurred on railway siding commissioned in February 1984, correctly to be shown under "Fixed Assets–Land–Freehold" and "Railway siding" respectively.	Noted
	(b) 4. Capital Goods-in-transit (at cost) Rs. 1,694.64 lakhs	
	This includes:	
	(i) Rs. 4.51 lakhs representing cost of weigh bridges received in December 1982, but yet to be inspected/ installed.	Installation is in progress and and expected in the current year.
	(ii) Rs. 6.67 lakhs representing cost of Capital Goods despatched by supplier in April 1984 only.	Noted
2.	8. Current Assets, Loans and Advances	
	(A) Current Assets	
	(b) Inventories–Schedule 'H'	
	1(b) Stores-in-transit (at cost) Rs. 1,007.53 lakhs	
	This includes:	
	(i) Rs. 23.19 lakhs representing value of stores being shown as "in transit" for over one year.	Rs. 16 lakhs has already been adjusted and changed to inventories since the close of the annual accounts for the year, balance amount is expected to be adjusted in the current year.
	(ii) Rs. 9.26 lakhs, being the value of stores short received for part of which (Rs. 4.46 lakhs) insurance claim was lodged in 1983-84 and should have been shown as 'claims recoverable.'	Noted
	2. Raw Materials (at cost) Rs. 47, 163.86 lakhs	
	Includes stocks valued at Rs. 754.77 lakhs lying with a subsidiary company for blending and not disclosed as such.	No disclosure is required under the Companies Act, 1956.
3.	B. Loans and Advances	
	Schedule 'J' – Rs. 32,149.93 lakhs	
	Overstated by Rs. 17.67 lakhs by wrong inclusion of:	
	(i) rejected insurance claim of Rs. 8.34 lakhs under "2, claims recoverable – (b) unsecured considered good" which should have been written off in the Profit and Loss Accounts for 1983-84 itself, and	Noted
	(ii) Rs. 9.33 lakhs representing value of catalyst returned against loan from an Oil Company under "Materials on loans – (a) Secured considered good", correctly adjustable against the liability created earlier.	Noted



Indian Oil Corporation Limited

4. 9. Less Current liabilities and provisions

Schedule 'K' – Current Liabilities

(a) 1. Sundry Creditors Rs. 98,430.63 lakhs

This is overstated to the extent of Rs. 71.92 lakhs, being demurrages on imports already claimed from the Pool Account in advance of the payment becoming due in respect of

- (a) Claims not received (3/81 to 3/83) Rs. 25.12 lakhs.
 - (b) Claims under negotiation (11/27 to 3/83) Rs. 34.52 lakhs and
 - (c) Claims under arbitration (9/79 to 3/82) Rs. 12.28 lakhs.
- Please refer to CAG's comment No. 5 on the accounts for 1982-83

As stated in Corporation's reply to Comptroller & Auditor-General of India's comment No. 5 on the accounts of the Corporation for 1982-83, demurrage on imports has been claimed correctly on accrual basis as per Govt./OCC

- (b) Excise duty payable on fuel consumed in the generation of electricity used for non-production purposes in Barauni Refinery for the period from 4/76 onwards is not provided for.

No specific demand on this account

5. PROFIT AND LOSS ACCOUNT

(a) Income

1(i) Sale of products and crude and transfers

Under product exchange Rs. 10,28,657.02 lakhs

Includes Rs. 17.71 lakhs, being excise duty and Rs. 93.16 lakhs, being sales tax, collected (and retained) in excess of the duty/tax due and actually paid.

No amount collected as excise duty/sales tax is being retained.

(b) (i) Expenditure

(i) 2. Manufacturing, Administration, Selling and Other Expenses Schedule 'M'

6. Repairs and Maintenance – (a) Plant and Machinery Rs. 3,482.41 lakhs

Includes Rs. 6.44 lakhs correctly classifiable as "Expense pertaining to previous years (Schedule O)."

Noted

(ii) 6. Interest

(viii) Other Rs. 3,423.39 lakhs

Includes Rs. 8.41 lakhs correctly classifiable as "Expense pertaining to previous years (Schedule 'O')."

Noted

6. Notes forming Part of Accounts

Schedule 'P'

I. Contingent liabilities not provided for

- (a) Claims against the Corporation not acknowledged as debts Rs. 4,959.16 lakhs

Noted

7. Schedule 'W'

CIF Value of Imported Crude Oil/Base Oil/Additives/Steel Coils and sheets/capital goods/Spare parts and components

Cruded Oil Rs. 1,99,122.58 lakhs

This is overstated by Rs. 1,549.70 lakhs due to inclusion of post C.I.F. Charges.

Noted

Sd/-
SARASWATHI R. RAO
Member, Audit Board & Ex-Officio
Director of Commercial Audit
(Petroleum & Oil)
Madras, Dated the 25th September, 1984

Sd/-
A.J.A. TAURO
Chairman
For and on behalf of the
Board of Directors
New Delhi, 27th September, 1984



Indian Oil Blending Limited

A Wholly Owned Subsidiary of Indian Oil Corporation Limited

Annual Report 1983-84



M. S. Rana
Chairman-cum-Managing Director

Dr. P. K. Mukhopadhyay
Director
G. S. Pandya
Financial Director
R. M. Basrur
Director
Indu Vira
Director
R. K. Narang
Director
G. S. Savor
Director
B. M. Lal
Managing Director (up to 31-1-84)
P. K. Goel
Director (up to 11-1-84)
P. E. Mathews
Director (up to 3-5-84)
S. P. Mathur
Director (up to 3-5-84)

SECRETARY
J. K. Wadhwa

BANKERS

State Bank of India,
Bombay and Calcutta.

REGISTERED OFFICE

Pir Pau, Trombay,
BOMBAY-400 074.

AUDITORS

M/s. M. M. Nissim & Co.,
Chartered Accountants,
Causeway House, 2nd Floor,
23, Shahid Bhagat Singh Road,
BOMBAY-400 039.

HEAD OFFICE

106, Maker Chambers-III,
223, Nariman Point,
BOMBAY-400 021.

PLANTS

Bombay & Calcutta.



NOTICE



NOTICE is hereby given that the Twenty-first Annual General Meeting of the Shareholders of INDIAN OIL BLENDING LIMITED will be held on Tuesday, the 11th September, 1984, at 1230 hours at the Head Office of the Company, situated at 106, Maker Chambers-III, 223, Nariman Point, Bombay-400 021, 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, 1984;
2. To declare a dividend;
3. To appoint Director in place of Dr. P. K. Mukhopadhyay, who retires at the conclusion of the Annual General Meeting and is eligible for re-appointment;
4. To appoint Director in place of Shri R. M. Basrur, 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 in place of Shri Indu Vira, who retires at the conclusion of the Annual General Meeting and is eligible for re-appointment;

7. To appoint Director in place of Shri R. K. Narang, who retires at the conclusion of the Annual General Meeting and is eligible for re-appointment; and
8. To appoint Director in place of Shri G. S. Savoor, 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. M. M. Nissim & Co.,
Chartered Accountants, Bombay.

Cc: Government Auditors, c/o IOC (HO),
Bombay - 400 025.

Bombay,
Dated the 19th July, 1984.

DIRECTORS' REPORT TO THE SHAREHOLDERS

Gentlemen,

Your Directors have great pleasure in placing before you the 21st Annual Report on the working of the Company for the financial year 1983-84 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. 68,18,125, as against Rs. 86,57,198 during 1982-83. The comparative figures of gross profit, depreciation, provision for taxation, provision for investment allowance, etc., are as under:

	1983-84 Rupees	1982-83 Rupees
(a) Gross profit before depreciation and investment allowance	68,18,125	86,57,198
(b) Depreciation	30,46,651	22,84,120
(c) Expenses of prior years	6,576	—
(d) Provision for taxation	21,25,000	27,47,000
(e) Net profit after tax	16,39,898	36,26,078
(f) Prior year adjustments (net)	2,35,146	5,49,607
(g) Disposable profit	18,75,044	41,75,685
(h) Provision for dividend	4,00,000	4,00,000
(i) Investment Allowance	1,65,000	5,83,000
(j) Appropriated to General Reserve	13,00,000	31,90,700
(k) Balance carried to Balance Sheet	10,044	1,985

Small can filling of Servo lubricants



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. 13,10,044. Out of the surplus amount, a sum of Rs. 13,00,000 is transferred to the General Reserve, thereby leaving a balance of Rs. 10,044 in the Profit & Loss Account. The balance of General Reserve at the beginning of the year was Rs. 1,58,91,000 and after the current year's transfer of Rs. 13,00,000 as above, the balance in the General Reserve Account amounts to Rs. 1,71,91,000 as on 31st March, 1984.

The balance in the Development Rebate Reserve Account at the beginning of the year was Rs. 1,86,711. An amount of Rs. 1,37,511 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. 49,200 in this account as on 31st March, 1984.

The balance in the Investment Allowance Reserve Account at the beginning of the year was Rs. 19,55,000. After this year's transfer of Rs. 1,65,000, the balance in this account as on 31st March, 1984 amounts to Rs. 21,20,000

PROFITABILITY

The total blending and manufacturing fees increased from Rs. 3,05,81,936 to Rs. 3,36,34,872. However, the profit before taxes and Investment Allowance is only Rs. 37,71,474 as against the previous year's figure of Rs. 63,73,078. The erosion in the profit abih.ty is mainly due to an increase in operating expenses (principally on account of the impact of the LTA) and depreciation. Operating expenses have gone up by Rs. 50 lakhs and depreciation by Rs. 8 lakhs.

The new Long-term Agreement with the workmen entered into in August 1983 has pushed up the expenses on salaries, wages and welfare benefits considerably. Added to this, certain major repairs carried out in the Grease Plant Furnace and other equipment have also contributed to the incidence of higher costs.

The prescribed rates of depreciation under Income Tax Act have been revised with effect from 1st April, 1983. The Company has adopted the increased rates for Plant & Machinery and buildings.

AUDITORS' REPORT

The Auditors' Report is attached herewith, which is self-explanatory.

PRODUCTION

- (a) **Lubes:** During the year under review, the Bombay Plant achieved a production of 1,58,307 KL against 1,40,651 KL of lubes during the previous year. The Calcutta Plant produced 1,08,457 KL as against 1,07,841 KL during the preceding year. The total production of lubes at Bombay and Calcutta Plants was 2,66,764 KL as against 2,48,492 KL during the previous year. The total throughput of lubes at both the Plants has gone up by approx 7.4%.
- (b) **Capacity Utilization:** During the year under review, Bombay and Calcutta Lube Plants have achieved capacity utilization of 105.5% and 108.5%, respectively.
- (c) **Greases:** The Grease Plant at Bombay produced 5,852 MT of greases during the year as against 5,874 MT during the previous year. The marginal decrease is on account of the shutdown of the Grease Plant for two months due to major repairs in the furnace.

The production of both the IOBL Plants during the last three years is given below:

	BOMBAY		CLACUTTA		TOTAL	
	Lubes KL	Grease MT	Lubes KL	Lubes KL	Grease MT	
1981-82	1,56,210	5,858	1,05,864	2,62,074	5,858	
1982-83	1,40,651	5,874	1,07,841	2,48,492	5,874	
1983-84	1,58,307	5,852	1,08,457	2,66,764	5,852	

MODERNISATION OF PLANTS

Both the Plants at Bombay and Calcutta were established in 1964. The production at both the Plants has progressively increased over the years. Unfortunately, it has not been possible for IOBL to acquire any additional area adjacent to the existing Plants. While the layout at Bombay is extremely congested which is likely to necessitate resitement of the Plant, with regard to Calcutta, the Company has been requested by Calcutta Port Trust to vacate the leased plot of land at Paharpur and arrange for resitement at some other location. Mindful of the prevailing congestion at both the Plants, your Directors have already recommended that steps may be initiated to locate alternative sites for both the Plants. While this may be a long-term measure, efforts are continuing to decongest and modernise the existing Plants in order to ensure safe operations.



Alternate arrangement for small can filling

- (i) In view of the shortage of metal containers, IOBL, is gearing up its facilities (both at Bombay and Calcutta) to fill HDP containers in line with IOC's decision to market 30% of their requirement in HDP small containers.
- (ii) IOC have their own small can filling facilities at Shakurbasti and Allahabad and have also decided to commission another small can filling facility in their Trombay Terminal from September 1984.

Some of the other steps being taken are indicated below:

(A) BOMBAY PLANT

- (a) **Conversion of 2 Nos. FP tanks into blending kettles:** 2 Nos. finished product tanks have been converted into blending kettles to facilitate handling larger volume of blending premium grade lubricants.
- (b) **Flow meter:** One flow meter has been procured and installed for proper control of bulk loading. With the expected results obtained after using this meter for a trial period, additional units will be installed at both the Plants.
- (c) **Small volume grease manufacturing facilities:** 2 Nos. indigenously fabricated small kettles with capacity of 50 kg. and 200 kg. have been installed alongwith the existing saponification vessel for manufacturing small volume grades of greases for supplies to Defence and for development of greases.
- (d) **Pumps/Pipeline/Valves:** In order to augment the capacities of blending, 1 No. stock pump has been installed in replacement of a lower capacity pump.
- (e) **Fire fighting facilities:** The project has been taken on top priority from the safety point of view and as a first stage, the construction of 180 KL underground water storage tank has been taken up (which has since been completed in June 1984).

(B) CALCUTTA PLANT

- (a) **Additive handling system:** The system has been revamped to cope with the increased requirements of the Plant as also to release space in the congested blending area.
- (b) **Facility for IIBF/2T Supreme filling:** The required machines have been procured and since installed for filling these products in 250/500 ml. cans.
- (c) **Forklift truck:** 1 No. forklift truck has been added to improve the despatch of finished lubricants.

- (d) **Development of land:** A concrete road has been built in order to facilitate the movement of loaded/unloaded trucks inside the Plant.

QUALITY CONTROL & DEVELOPMENT

The development of lubricating oils and greases is an integral part of the technological and industrial development of the country. There is continuing need to update the formulation and manufacturing processes to keep pace with the progress made elsewhere in the world. It is a matter of satisfaction that consumers of lubricating oils and greases continue to enjoy the confidence in the quality products being offered by your Company. In this regard, steps have been taken to augment both technical manpower and laboratory facilities to achieve this objective and to maintain the highest standard of quality which your Company has attained. IOBL has geared up its systems to enforce strict quality control including surprise checks on finished products/packages. In addition, IOBL Technical Department has continued to assist IOG (R&D) in the development of new products and their formulation. The following products were manufactured for the first time in the Plants:

Grease LG-280, Grease NK-50, Grease SG-240 Grease XG-284, Andok BR, Cyprina RA, PX-27, Servocut XL, Reference Oil No.3, Gas Turbine Oil, Servoway 100, Servo HP 150, IOC Arol Light and PX-6.

IOBL has also manufactured Product 201A, Product X-103 and Product 202 W for trial purposes.

SAFETY

The need to strengthen safety procedures has been recognised. A Safety Officer, in each Plant, has been posted to take care of safety measures. Safety Committees have been constituted and periodical meetings and fire drills are conducted.

PERSONNEL

Of the various resources available to a company, manpower contributes the maximum in achieving a high degree of excellence in all phases of its operations. Your Company is devoting considerable attention in development of its manpower from the initial stages of recruitment and training onwards, with a view to improving the skills of its employees. Special care is taken to nominate both officers and workmen to various training programmes (both internal and external) in order to maintain a high level of capability and contribution.

- (a) During the year under review, the total number of employees of the Company as on 31st March, 1984 was 538 (95 officers and 443 workmen) as against 527 as on 31st March, 1983.



Pursuant to the appointment of a full-time Chairman-cum-Managing Director with effect from 1st February, 1984, the Administrative Head Office of IOBL has been located at 106 Maker Chambers III, 223 Nariman Point, Bombay 400 021.

- (b) **Welfare of weaker sections:** Directives received from the Government from time to time regarding employment of candidates belonging to reserved categories were fully implemented. Facilities such as relaxation in age, qualifications etc., continue to be given to the candidates belonging to Scheduled Castes and Scheduled Tribes for employment in the Company.
- (c) **Workers' participation in Management:** Workers' participation in management was encouraged by having representatives from employees on various committees such as Canteen Committee, Safety Committee, Works Committee and Sports Committee.

INDUSTRIAL RELATIONS

Industrial Relations during the year have been cordial at both the Plants (Bombay and Calcutta). A long-term agreement between the Company and its workmen was signed at Bombay on 31st August, 1983 and this settlement is in force for a period of 14 years from 1st May, 1982 to 30th April, 1986. IOBL has also introduced a productivity incentive scheme and payment under this scheme to the employees has already been made for the year 1982-83.

PROGRESSIVE USE OF HINDI

The Company is following the directives and guidelines issued by the Government with regard to Hindi Implementation. A Hindi Implementation Committee has been formed which holds regular quarterly meetings to review the progress made.

Quarterly/Half-yearly reports are being submitted to appropriate authorities. To aid implementation of this scheme, a few employees were nominated for attending Hindi Workshops.

FOREIGN TOURS

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

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.

DIRECTORS

During the year under review, Shri B. M. Lal ceased to be the Managing Director/Director of the Company with effect from 1st February, 1984, and Shri M.S. Rana took over as the Chairman-cum-Managing Director from the same date. Shri P. K. Goel ceased to be the Director with effect from 21-1-1984.

Dr. P. K. Mukhopadhyay and Shri R. M. Basrur were appointed as Directors with effect from 26-3-1984, in place of Shri P. K. Goel and Shri B. M. Lal respectively. Shri S. P. Mathur was appointed as Director with effect from 3-4-1984 but ceased to be the Director with effect from 4-5-1984. Shri P. E. Mathews also ceased to be the Director with effect from 4-5-1984. S/Shri R. K. Narang and G. S. Savoor were appointed as Directors with effect from 20-6-1984, in place of S/Shri P. E. Mathews and S. P. Mathur respectively. S/Shri G. S. Pandya and Indu Vira continue to be the Financial Director and Director, respectively, of the Company.

All the above Directors, except Shri M. S. Rana, whose appointment is for a term of two years from 1-2-1984, 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.

ACKNOWLEDGEMENT

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 strive for better results in the coming years so as to further improve the productivity of the Company. 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,

M. S. Rana
Chairman-cum-Managing Director

Bombay:
Dated the 12th July, 1984.



AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of Indian Oil Blending Limited, as at 31st March, 1984 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 (Auditor's Report) Order, 1975 issued by the Company Law Board terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in Paragraphs 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 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 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 Company as at 31st March, 1984;
 - 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 M. M. NISSIM AND CO.,
Chartered Accountants

P.B. DESAI
Partner

Bombay:
Dated: 12th July, 1984.



ANNEXURE TO THE AUDITORS' REPORT

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

1. The Company is maintaining proper records to 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. We are informed that no significant discrepancies were noticed on such verification as compared to book records, and the same have been properly dealt with in the books of account, 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 the 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. Loans and Advances in the nature of loans have been given to the employees and the same are being repaid as stipulated. The interest on vehicle, loans given to employees is accounted for as and when realised. The accrued amount of interest for the year and the amount accumulated till the date of the Balance Sheet not provided for in the books of account are approximately Rs. 17,000 and Rs. 33,600 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 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 operations. 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 M. M. NISSIM AND CO.,
Chartered Accountants

P.B. DESAI
Partner.

Bombay:
Dated: 12th July, 1984



BALANCE SHEET AS AT 31ST MARCH, 1984

	Schedules	As at 31st March, 1984 Rupees	As at 31st March 1983 Rupees
I. SOURCES OF FUNDS:			
1. Shareholders' Funds:			
(a) Capital	I	40,00,000	40,00,000
(b) Reserves and Surplus	II	1,93,70,244	1,80,34,696
		<u>2,33,70,244</u>	<u>2,20,34,696</u>
2. Loans Funds:			
(a) Unsecured Loans	III	23,03,997	23,84,029
		<u>23,03,997</u>	<u>23,84,029</u>
TOTAL:		<u>2,56,74,241</u>	<u>2,44,18,725</u>
II. APPLICATION OF FUNDS:			
1. Fixed Assets:			
(a) Gross Block	IV	3,94,11,807	3,74,33,254
(b) Depreciation		2,34,22,540	2,05,15,420
(c) Net Block		1,59,89,267	1,69,17,834
(d) Capital Work-in-Progress		2,91,716	2,28,175
		<u>1,62,80,983</u>	<u>1,71,46,009</u>
2. Current Assets, Loans and Advances:	V		
(a) Inventories		12,76,621	16,26,308
(b) Sundry Debtors		35,26,872	65,61,896
(c) Cash and Bank Balances		86,250	31,138
(d) Loans and Advances		1,70,44,838	1,02,88,222
		<u>2,19,34,581</u>	<u>1,85,07,564</u>
Less : Current Liabilities and Provisions :	VI		
(a) Current Liabilities		48,99,323	36,03,848
(b) Provisions		76,42,000	76,31,000
		<u>1,25,41,323</u>	<u>1,12,34,848</u>
Net Current Assets		93,93,258	72,72,716
TOTAL :		<u>2,56,74,241</u>	<u>2,44,18,725</u>
Notes on Balance Sheet	IX		

M.S. RANA
Chairman-cum-Managing
Director

G.S. PANDYA
Financial Director

INDU VIRA
Director

J.K. WADHWA
Secretary

As per our Report of even date
For M.M. NISSIM & COMPANY
Chartered Accountants



**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED
31ST MARCH, 1984**

		As at 31st March, 1984	As at 31st March 1983
	Schedules	Rupees	Rupees
INCOME:			
Throughput, Blending and Manufacturing Charges		3,36,34,872	3,05,81,936
Other Income	VII	4,25,081	3,54,727
		<u>3,40,59,953</u>	<u>3,09,36,663</u>
EXPENDITURE:			
Operating and Other Expenses	VIII	2,71,90,173	2,21,60,602
Interest		51,655	1,18,863
Depreciation		30,46,651	22,84,120
		<u>3,02,88,479</u>	<u>2,45,63,585</u>
Profit for the year before tax		37,71,474	63,73,078
Expenses of Prior Years		6,576	—
PROFIT BEFORE TAX		37,64,898	63,73,078
Provision for Taxation		21,25,000	27,47,000
PROFIT AFTER TAX		16,39,898	36,26,078
Surplus brought forward from Previous Year		1,985	2,187
Development Rebate Reserve Written back		1,37,511	1,63,000
Excess tax provision of prior year written back		6,946	2,26,783
Refund of Income-tax of Prior Year		—	1,13,834
Excess Provision for Expenses of prior year written back		88,704	43,803
DISPOSABLE PROFIT		<u>18,75,044</u>	<u>41,75,685</u>
APPROPRIATIONS:			
Proposed Dividend (subject to deduction of tax)		4,00,000	4,00,000
Investment Allowance Reserve		1,65,000	5,83,000
General Reserve		13,00,000	31,90,700
Surplus carried to Balance Sheet		10,044	1,985
TOTAL:		<u>18,75,044</u>	<u>41,75,685</u>
Notes on Profit and Loss Account	IX		

M.S. RANA
Chairman-cum-Managing
Director

G.S. PANDYA
Financial Director

INDU VIRA
Director

J.K. WADHWA
Secretary

As per our Report of even date
For M.M. NISSIM & COMPANY
Chartered Accountants

Bombay,
Dated: 12th July, 1984

P. B. DESAI
Partner



Indian Oil Blending Limited

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 1984

SCHEDULE I-SHARE CAPITAL

	As at 31st March, 1984 Rupees	As at 31st March 1983 Rupees
SHARE CAPITAL:		
Authorised:		
8,000 Equity Shares of Rs. 500/- each	<u>40,00,000</u>	<u>40,00,000</u>
Issued and Subscribed:		
8,000 Equity Shares of Rs. 500/- each Fully Paid-up. (The entire share capital is held by Indian Oil Corporation Limited, the Holding Company)	<u>40,00,000</u>	<u>40,00,000</u>
TOTAL:	<u>40,00,000</u>	<u>40,00,000</u>

SCHEDULE II-RESERVES AND SURPLUS

	As at 31st March, 1984 Rupees	As at 31st March 1983 Rupees
RESERVES AND SURPLUS:		
1. General Reserve:		
As per last Balance Sheet	1,58,91,000	1,27,00,300
Transferred from Profit & Loss Account	<u>13,00,000</u>	<u>31,90,700</u>
	1,71,91,000	1,58,91,000
2. Development Rebate Reserve:		
As per last Balance Sheet	1,86,711	3,49,711
Transferred to Profit & Loss Account	<u>1,37,511</u>	<u>1,63,000</u>
	49,200	1,86,711
3. Investment Allowance Reserve:		
As per last Balance Sheet	19,55,000	13,72,000
Transferred from Profit & Loss Account	<u>1,65,000</u>	<u>5,83,000</u>
	21,20,000	19,55,000
4. Profit & Loss Account		
	10,044	1,985
TOTAL:	<u>1,93,70,244</u>	<u>1,80,34,696</u>

SCHEDULE III-UNSECURED

	As at 31st March, 1984 Rupees	As at 31st March 1983 Rupees
UNSECURED		
Short Term Loan:		
Cash Credit from State Bank of India, guaranteed by Indian Oil Corporation Limited, the Holding Company	<u>23,03,997</u>	<u>23,84,029</u>
TOTAL:	<u>23,03,997</u>	<u>23,84,029</u>



ASSETS	GROSS BLOCK AT COST			
	As on 1-4-83 Rupees	Additions Rupees	Deductions Rupees	As on 31-3-84 Rupees
BUILDINGS (ON LEASEHOLD LAND)	83,96,532	1,88,663	-	85,85,195
RAILWAY SIDING	2,73,039	-	-	2,73,039
PLANT AND MACHINERY	2,21,14,945	9,37,094	-	2,30,52,039
FURNITURE, FIXTURES AND OFFICE EQUIPMENTS	20,90,997	4,56,014	75,320	24,71,691
FORKLIFT TRUCKS	28,47,667	3,17,548	-	31,65,215
MOTOR VEHICLES	2,93,846	2,69,398	1,14,844	4,48,400
RESEARCH AND DEVELOPMENT:				
BUILDING (ON LEASEHOLD LAND)	26,483	-	-	26,483
PLANT AND MACHINERY	13,89,745	-	-	13,89,745
TOTAL:	3,74,33,254	21,68,717	1,90,164	3,94,11,807
PREVIOUS YEAR TOTAL:	3,29,07,453	47,68,743	2,42,942	3,74,33,254

SCHEDULE IV-FIXED ASSETS (Contd...)

DEPRECIATION				NET BLOCK	
Up to 31-3-83 Rupees	Deductions/ adjustment for earlier year Rupees	For the year Rupees	Up to 31-3-84 Rupees	As on 31-3-84 Rupees	As on 31-3-83 Rupees
30,36,822	—	5,18,970	35,55,792	50,29,403	53,59,710
2,26,825	—	6,932	2,33,757	39,282	46,214
1,34,47,051	—	18,06,412	1,52,53,463	77,98,576	86,67,894
10,92,458	60,356	1,79,316	12,11,418	12,60,273	9,98,539
21,02,079	—	3,18,941	24,21,020	7,44,195	7,45,588
1,66,738	79,175	72,168	1,59,731	2,88,669	1,27,108
6,437	—	1,002	7,439	19,044	20,046
4,37,010	—	1,42,910	5,79,920	8,09,825	9,52,735
2,05,15,420	1,39,531	30,46,651	2,34,22,540	1,59,89,267	1,69,17,834
1,84,43,558	2,12,258	22,84,120	2,05,15,420		
CAPITAL WORK-IN-PROGRESS				2,91,716	2,28,175
				1,62,80,983	1,71,46,009

Indian Oil Blending Limited

SCHEDULE V-CURRENT ASSETS, LOANS AND ADVANCES

	As at 31st March, 1984	As at 31st March, 1983
	Rupees	Rupees
CURRENT ASSETS, LOANS AND ADVANCES:		
1. CURRENT ASSETS:		
(a) Inventories: (As taken, valued and certified by the Management) Stores and Spare Parts (at cost)	<u>12,76,621</u>	16,26,308
TOTAL:	<u>12,76,621</u>	<u>16,26,308</u>
(b) Sundry Debtors: (Unsecured, Considered Good) Due from Indian Oil Corporation Limited, the Holding Company		
(i) Exceeding six months	41,714	-
(ii) Other Debts	<u>34,85,158</u>	65,61,896
TOTAL:	<u>35,26,872</u>	<u>65,61,896</u>
(c) Cash and Bank Balances:		
(i) Cash and Cheques on hand	55,250	26,250
(ii) Balance with a Scheduled Bank in Current Account	<u>31,000</u>	4,888
TOTAL:	<u>86,250</u>	<u>31,138</u>
2. LOANS AND ADVANCES:		
1. Advances recoverable in cash or in kind or for value to be received, considered good		
(a) Secured	22,81,950	21,72,673
(b) Unsecured	<u>73,05,047</u>	32,25,026
	95,86,997	53,97,699
2. Advance payment of Income-tax	74,11,841	48,90,523
3. Deposit with Industrial Development Bank of India, in lieu of Surcharge on Income-tax	46,000	-
TOTAL:	<u>1,70,44,838</u>	<u>1,02,88,222</u>

SCHEDULE VI-CURRENT LIABILITIES AND PROVISIONS

	As at 31st March, 1984	As at 31st March, 1983
	Rupees	Rupees
CURRENT LIABILITIES AND PROVISIONS:		
1. CURRENT LIABILITIES:		
(a) Sundry Creditors	33,11,064	33,25,041
(b) Due to Indian Oil Corporation Limited, the Holding Company	14,31,089	30,987
(c) Other Liabilities	1,57,170	2,47,820
TOTAL:	<u>48,99,323</u>	<u>36,03,848</u>
2. PROVISIONS:		
Taxation	72,42,000	72,31,000
Proposed Dividend	4,00,000	4,00,000
TOTAL:	<u>76,42,000</u>	<u>76,31,000</u>



Indian Oil Blending Limited

SCHEDULE ANNEXED TO AND FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1984

Contents

Index

SCHEDULE VII-OTHER INCOME

	Rupees	For the year ending 31st March, 1984 Rupees	For the year ending 31st March 1983 Rupees
OTHER INCOME:			
Interest:			
On Staff Loans	2,70,600		1,64,016
On Others	12,541		2,702
On Advance Payment of Income-tax	—		58,406
		<u>2,83,141</u>	<u>2,25,124</u>
Profit on sale of assets		80,023	75,993
Miscellaneous		61,917	53,610
TOTAL:		<u>4,25,081</u>	<u>3,54,727</u>

SCHEDULE VIII-OPERATING AND OTHER EXPENSES

	Rupees	For the year ending 31st March, 1984 Rupees	For the year ending 31st March 1983 Rupees
OPERATING AND OTHER EXPENSES:			
Salaries, Wages, Allowances and Bonus		1,47,84,941	1,22,02,072
Contribution to Employees' Provident Fund and Other Funds		8,26,990	6,94,533
Gratuity		3,17,482	3,08,169
Staff Welfare Expenses		24,11,505	21,26,403
Fuel, Power and Water Charges		32,19,420	30,74,558
Stores Consumed		5,43,857	4,94,019
Rent		3,89,647	2,79,712
Rates, Taxes and Licences		1,97,943	1,79,003
Material Handling Expenses		6,72,804	4,63,624
Repairs and Maintenance to:			
Buildings	5,93,007		2,61,001
Plant and Machinery	16,69,696		6,54,859
Railway Siding	1,08,438		1,16,722
Others	2,13,474		2,04,760
		<u>25,84,615</u>	<u>12,37,342</u>
Insurance		61,109	48,914
Travelling and Conveyance		1,78,938	1,70,434
Motor Vehicle Expenses		1,50,316	1,45,919
Printing and Stationery		1,62,668	1,22,251
Postage, Telegrams and Telephones		2,03,220	1,64,155
Legal and Professional Charges		10,190	17,705
Brokerage		76,800	—
Loss on sale of assets		838	18,349
Auditors' Remuneration:			
Audit Fees	12,000		12,000
Out-of-pocket expenses	2,855		4,675
		<u>14,855</u>	<u>16,675</u>
General Expenses		3,82,035	3,89,313
Inventory Differences Written Off		—	7,452
TOTAL:		<u>2,71,90,173</u>	<u>2,21,60,602</u>



SCHEDULE ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1984

SCHEDULE IX

	As at 31st March, 1984 Rupees	As at 31st March, 1983 Rupees
1. Contingent Liabilities:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	6,49,083	4,93,096
(b) Claims against the Company not acknowledged as debts	25,000	1,04,314
(c) Guarantee given to Government of Kerala, on behalf of the Holding Company, M/s. Indian Oil Corporation Limited, in respect of Sales Tax Demands	38,80,892	38,80,892
2. Estimated value of Tax Credit Certificates applied for under Section 280 ZB of the Income-tax Act, 1961 pending before the Income-tax Authorities	2,00,000	2,00,000
3. 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 Insurance Scheme of the Corporation. The premium paid covers the liability under the Scheme in respect of all 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.		
4. Additional information pursuant to Paragraphs 3, 4, 4C and 4D of Part II to Schedule VI of the Companies Act, 1956.		
(A) Remuneration to Chairman & Managing Director:		
	Current Year Rupees	Previous Year Rupees
(a) Salary	10,049	-
(b) Provident Fund and Other Funds	828	-
(c) Other Perquisites	730	-
	<u>11,607</u>	<u>-</u>
	TOTAL:	

In addition, the Chairman & Managing Director, is also allowed the use of Company's car for private purposes up to 6,000 kms. per annum, on a payment of Rs. 1,200 per annum (Rs. 1,800 per annum, from December 1983) to be recovered in instalments of Rs. 100 per mensem (Rs. 150 per mensem, from December 1983).

(B) Capacity and Production:

	Current Year		Previous Year	
	Lubes (KL.)	Grease (MT.)	Lubes (KL.)	Grease (MT.)
(a) Licensed Capacity	2,50,000	4,536	2,50,000	4,536
(b) Installed Capacity	@2,50,000	8,500	2,50,000	8,500
(c) Actual Production	*2,66,764	5,852	2,48,492	5,874

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

@ As certified by the Management and accepted by the Auditors without verification.

* Includes 10,028 Kls. (Previous Year 4,524 Kis.) not blended but back-loaded.

(C) Turnover (Processing Fees):

		Current Year	Previous Year
Lube Blending	- Kilo ltrs.	2,66,764	2,48,492
	Rupees	**2,66,76,368	2,48,49,218
Grease -	Metric Tonnes	5,852	5,874
	Rupees	59,98,800	60,20,799

Note: The Company has not purchased or consumed any raw materials during the year. There are no opening or closing stock of finished goods. The Company processes materials received by it from Indian Oil Corporation Limited, the Holding Company. Quantities mentioned above, relate to such processing operations.

** Throughput and blending fees are net after deducting operational losses amounting to Rs. 6,52,972 (Previous Year Rs. 2,88,080).



Indian Oil Blending Limited

SCHEDULE IX- (Contd.)

Contents

Index

	Current Year Rupees	Previous Year Rupees
(D) C.I.F. Value of Imports:		
Spare Parts and Components	38,027	1,65,833
Capital Goods	–	5,10,028

(E) Consumption of Spare Parts during the year:

	Current Year		Previous Year	
	Value Rupees	Percentage	Value Rupees	Percentage
Imported	*2,39,101	24.92	1,39,734	15.7
Indigenous	*7,20,376	75.08	7,50,900	84.3

* Includes Rs. 4,15,620 (Previous Year Rs. 3,96,615) debited to repairs and maintenance.

(F) Expenditure in Foreign Currency:

	Current Year	Previous Year
Subscription to Journals	205	187

(G) Break-up of expenditure incurred during the year on employees in respect of remuneration aggregating to Rs. 36,000/- or more per year or Rs. 3,000/- per month, when employed for a part of the year.

(i) Employed throughout the year:				
Number of employees	Nos.	94	43	
Salaries, Wages and Bonus		38,25,338	18,13,314	
Contribution to Provident Fund and Other Funds		2,46,459	1,15,663	
(ii) Employed for part of the year:				
Number of employees	Nos.	2	3	
Salaries, Wages and Bonus		21,073	64,745	
Contribution to Provident Fund and Other Funds		1,500	3,871	

5. Previous year's figures have been regrouped wherever necessary.

Signatures to Schedules I to IX

M. S. RANA
Chairman-cum-Managing
Director

G. S. PANDYA
Financial Director

INDU VIRA
Director

J. K. WADHWA
Secretary

As per our Report of even date

For M. M. NISSIM & COMPANY
Chartered Accountants

Bombay,
Dated: 12th July, 1984.

P. B. DESAI
Partner



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, 1984.

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

1 Floor, Indianoil Bhavan,
No.139, Nungambakkam High Road
MADRAS 600034

No. MAB/P&O/R/IOBL-4/83-84/529

Dated: 27th August, 1984

To

The Chairman and Managing Director,
Indian Oil Blending Limited,
Pir Pau, Trombay,
BOMBAY 400074.

Sir,

Sub: Comments of Comptroller & 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, 1984

The Comptroller & Auditor General of India has decided not to review the Report of the Auditors for the year 1983-84 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 and Ex-Officio
Director of Commercial Audit
(Petroleum and Oil), Madras.



DIRECTORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED 31ST DECEMBER, 1983

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 provisions of the Bumah 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. As such there were no transactions during the year and no annuity policy for the employees of Oil India Limited was purchased by our Company as Trustee of the Burmah Oil (India) Pension Fund during the year.

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



BLANCE SHEET AS AT 31ST DECEMBER, 1983

	As at 31st December, 1983 Rupees	As at 31st December, 1982 Rupees	As at 31st December, 1983 Rupees	As at 31st December, 1982 Rupees
LIABILITIES			ASSETS	
SHARE CAPITAL:			CURRENT ASSETS/LOANS AND ADVANCES:	
Athorised:			Current Assets:	
100 Shares of Re. 1/- each	<u>100.00</u>	<u>100.00</u>	Cash and Bank Balances— Cash in hand	30.00 30.00
Issued and subscribed:				
30 Shares of Re.1/- each fully paid up in cash	<u>30.00</u>	<u>30.00</u>	Cash with Scheduled Bank— On Current Account	<u>70,207.96</u> 73,372.96
<i>Note:</i> (Entire Share Capital is held by Indian Oil Corporation Limited, the holding Company).				<u>70,237.96</u> 73,372.96
CURRENT LIABILITIES AND PROVISIONS:				
Current Liabilities:				
Due to Burmah Oil (India) Pension Fund	<u>70,207.96</u>	<u>73,372.96</u>		<u>70,237.96</u> <u>73,402.96</u>
	<u><u>70,237.96</u></u>	<u><u>73,402.96</u></u>		
For RAY & RAY <i>Chartered Accountants</i>			T.K. NITHYANANDAN <i>Secretary</i>	B.N. DUTTA M.C. BORAH <i>Directors</i>
S.K. DAS GUPTA <i>Partner</i>				

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, 1983 and its operations for the year ended on that date.

We have obtained all the information and explanations which to the bests 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 Other 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
S.K. DAS GUPTA
Partner

Calcutta,
Dated 1st June, 1984



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

As at 31st December, 1983 Rupees	As at 31st December, 1982 Rupees	As at 31st December, 1983 Rupees	As at 31st December, 1982 Rupees
NIL	NIL	NIL	NIL
<u>NIL</u>	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>

Note: No trading has taken place during the year under review.

For RAY & RAY
Chartered Accountants

S.K. DAS GUPTA
Partner

T.K. NITHYANANDAN
Secretary

B.N. DUTTA
M.C. BORAH
Directors