इंडियन ऑयल कॉर्पोरेशन लिमिटेड

रजिस्टर्ड ऑफिस : 'इंडियनऑयल भवन',
जी -९, अली यावर जंग मार्ग, बांद्रा (पूर्व), मुंबई - ४०० ०५१.

Indian Oil Corporation Limited

CIN-L23201MH1959GOI011388
Regd. Office : 'IndianOil Bhavan',
G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai - 400 051.
Tel. : 022-26447616 • Fax : 022-26447961
Email id : investors@indianoil.in • website : www.iocl.com

IndianOil
A Maharatna Company

Secretarial Department

No. Secl/ AGM 21-22

2nd August 2022

National Stock Exchange of India Limited	**BSE Ltd.**
Exchange Plaza, 5th Floor,	**1st Floor,**
Bandra –Kurla Complex,	**New Trading Ring,**
Bandra (E),	**P J Tower, Dalal Street,**
Mumbai – 400051	**Mumbai – 400001**

Ref: Symbol: IOC; Security Code: 530965; ISIN: INE242A01010

Dear Sir,

Sub : **Integrated Annual Report for the year 2021-22 including Notice of 63rd Annual General Meeting of the Company**

This is further to our letter dated 29th July 2022 intimating about the date of Annual General Meeting of the Company. The Integrated Annual Report of the Company for the year 2021-22 including the Notice convening Annual General Meeting is attached.

The Integrated Annual Report including Notice has also been uploaded on the Company's website and can be accessed at www.iocl.com.

This is for information and record please.

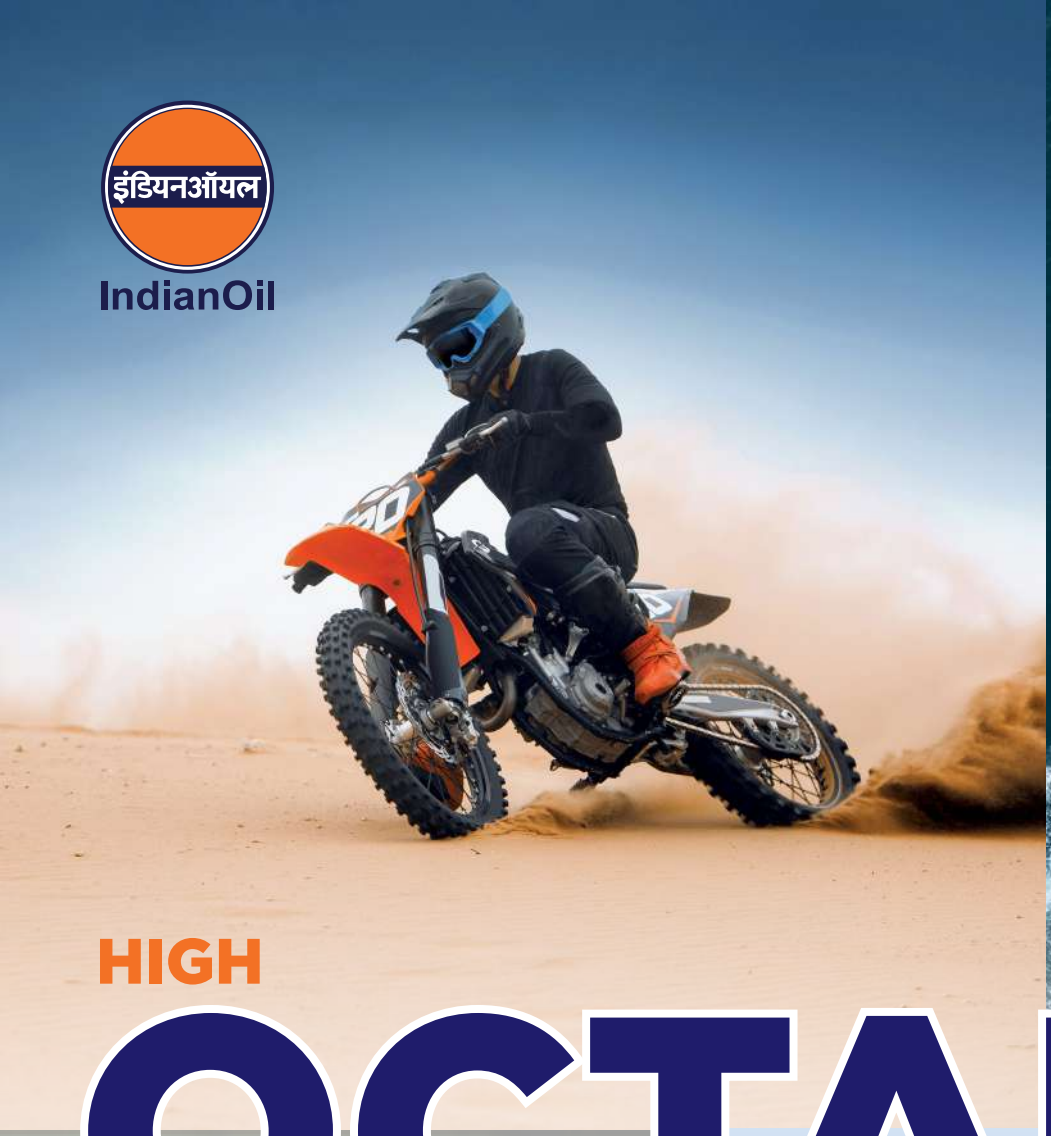
Thanking you,

Yours faithfully,
For Indian Oil Corporation Limited

(Samrat Sethia)
Jt. Company Secretary

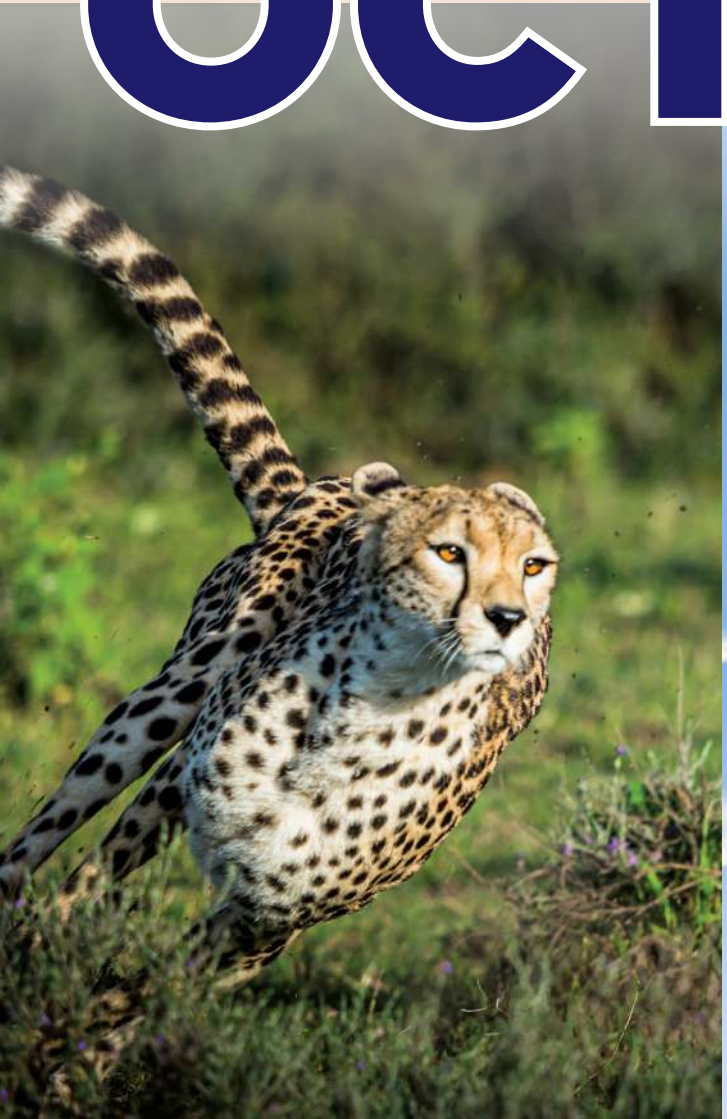
इंडियनऑयल
IndianOil

Azadi Ka Amrit Mahotsav



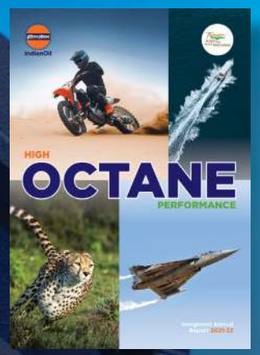


HIGH OCTANE PERFORMANCE





Integrated Annual Report 2021-22



At IndianOil, we believe ‘high-octane’ is not just a characteristic of the fuel we produce, it defines the spirit of every IOCian. With the zeal, enthusiasm, and quest to provide the best to customers, stakeholders, channel partners and associates, we have been transforming relentlessly to be a socially responsible and sustainable energy company.

Performance and Experience that is unparalleled, is what, IndianOil offers to its stakeholders. Over the years, the Company has strived relentlessly to develop best-in-class energy solutions for the nation. Consolidating its existing businesses, converting each challenge into an opportunity, realising sustainable energy alternatives, innovating across domains, and traversing across the skies and deep seas, IndianOil’s agility and tenacity keeps the wheels of growth moving year after year. The commitment, dedication and passion of the Company as a whole has indeed gravitated IndianOil’s character of being a game-changer across the oil and gas industry.

This is IndianOil's Integrated Annual Report for the Year 2021-22

It provides detailed information about **IndianOil's progress and highlights for the year ended March 31, 2022.** This is the primary report to our stakeholders in which we aim to provide a balanced and accurate reflection of our value creation methodology, risks and opportunities, materiality assessment, stakeholder engagement and our performance scorecard through the deployment of each capital as well as our future roadmap.

Integrated and Sustainable Thinking

At IndianOil, we understand that value creation cannot happen in a vacuum. It is possible only through careful consideration of the relationship between the capitals that we use and the potential linkages between our strategic choice and actions that we undertake to deliver on our vision. This has an impact on our ability to create value for our stakeholders over the short, medium and long term.

In addition, our activities also contribute to the United Nations Sustainable Development Goals (SDGs) covering a range of multi-stakeholder goals that we aspire to achieve.

Reporting Frameworks

The report follows the International Integrated Reporting Council framework, which allows us to tell our members and other stakeholders how we create value for them. A consolidated assessment of the six capitals provides both our strategy as well as the internal materiality process we have used to determine the content and structure of this report.

The financial and statutory data presented in this report are in line with the requirements of the Companies Act, 2013 and rules notified thereunder, the Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standards.

Reporting Period

This integrated report primarily covers the 12-month period from April 1, 2021 to March 31, 2022. However, certain sections of this report represent facts and figures of the previous years as well. The details and information in the Integrated Report pertain to Indian Oil Corporation Limited on a standalone basis, unless otherwise specified. Both the financial and non-financial aspects are in accordance with the applicable laws, regulations and standards of the Republic of India.

For more information visit

www.iocl.com

or scan QR code

Forward-looking Statements

We have exercised utmost care in the preparation of this report. It might include forecasts and/ or information relating to forecasts. Facts, expectations, and past data are typically the basis of forecasts. As with all forward-looking statements, the actual result may deviate from the forecast. As a result, we can provide no assurance on the correctness, completeness, and up-to-date nature of the information for our forward-looking statements, as well as for those declared as taken from third parties. Therefore, appropriate discretion on the part of readers is advised. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

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Fuelling India's Growth Sustainably

A leading, diversified and integrated energy major with presence across all the streams of oil, gas, petrochemicals and alternative energy sources, IndianOil is driven by its vision and grounded by its values.

Our values and vision empower us to attain new pinnacles of success year-on-year.

VISION



VALUES

Care • Innovation • Passion • Trust

To achieve our vision, we analyse the macro-economic environment that we operate in to identify the material issues central to our business **(refer page 28),** the evolving needs and expectations of our stakeholders **(refer page 24)**, along with risks and opportunities **(refer page 18)** arising from changing market dynamics.

Through our operations, we not only create value for ourselves and our stakeholders, but also **contribute towards uplifting the communities** in which we operate.

We address these changing dynamics through our sound strategies and robust business model across our business clusters, which include:

Refining, Pipelines and Marketing

We have the largest share in the market among downstream companies in India, alongside of maintaining the largest petroleum pipeline networks in the world. To reach out to maximum number of customers, we continue to strengthen our petroleum marketing and distribution network — which is one of the largest in Asia.

Petrochemicals

With the endeavour to be the largest petrochemicals player in India, we are making significant strides towards integrating our downstream operations and establishing a strong international presence.

Exploration & Production

We are cementing our position in the E&P segment by investing towards acquiring E&P assets in domestic and international markets.

Natural Gas

Being the second largest player in the space, we have been making consistent progress in up-scaling our operations to ensure the steady supply of clean and safe gas across the country.

Other Energy Segments and Businesses

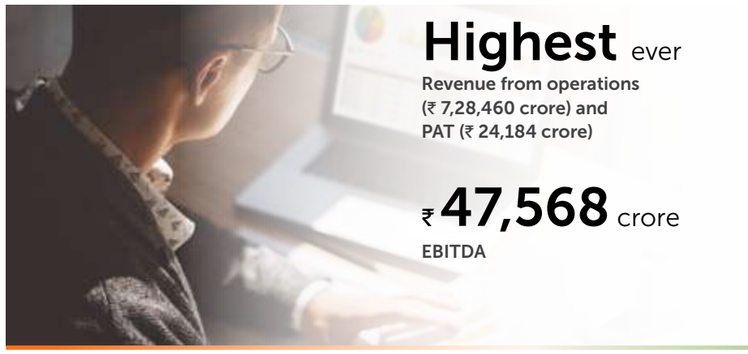
We continue to expand our presence in the renewable and bio-energy space to accelerate India's journey towards carbon-neutrality. We also have strong presence in explosives, cryogenics and have invested in fertiliser business.

(for more details on our business model refer to page 22 and **Page 36** for business clusters)

High-Octane Performance Achieved through our Capitals

At IndianOil, our capitals range from our mega infrastructure and assets, growing talent pool, advanced technology backbone, to best-of-breed R&D and governance practices. Our high-octane performance is underpinned by these capitals and their interplay enables us to unlock stakeholder value responsibly and sustainably.

Financial Capital



Highest ever
Revenue from operations (₹ 7,28,460 crore) and PAT (₹ 24,184 crore)

US$ 11.25 per barrel
GRM as compared to US$ 5.64 per barrel in 2020-21

₹ 47,568 crore
EBITDA

₹ 21,177 crore
Operating cash flow

Manufactured Capital

67.67 MMT
Crude throughput

83.25 MMT
Throughput of our countrywide network of pipelines

₹ 30,391 crore
Capital expenditure



Intellectual Capital



Highest
Number of patents (225) filed in 2021-22

1,519
Patents filed till March 31, 2022

30%
R&D team members hold PhD degrees

Human Capital

7,79,229 hours
Training provided

₹ 116.18 crore
Spent on training and development

8.7%
Female employees



Social & Relationship Capital



493
CSR projects

77.46 lakh
People benefitted from our CSR activities

Natural Capital

~240 MW
Renewable energy capacity

3.36 MMT CO_2-eq
Emission avoided/mitigated

439 MT
Waste paper recycled



Chairman's Message



> "The year 2020-21 witnessed IndianOil registering record profits and during 2021-22 we once again surpassed our best, by notching up the highest-ever revenue and a new record net profit."

Shrikant Madhav Vaidya
Chairman, IndianOil

Dear Members,

I hope you are doing well.

Inspired by Indianness

Reflections and Records

As I present IndianOil's Integrated Annual Report 2021-22, I am reminded of the Company's first Annual Report, published in 1960. The modest report wrote, "The Company shall build up facilities as may be warranted by the growing demand of petroleum products (in India)". Back then, IndianOil did not have any petroleum storage capacity. In that context, the Company's journey over the past six decades has been a saga of phenomenal growth and unshakable faith to fuel the nation while rising above every possible challenge.



IndianOil is committed to realise the socio-economic aspirations of 'New India'

Our teams have been continuously setting new benchmarks of business excellence. Our ability to justify the faith reposed in us by the country, is deeply satisfying for us . The year 2021-22 witnessed IndianOil registering record profits and last year, We once again surpassed our best, by notching up the highest-ever revenue and setting a record net profit. This stellar success in business numbers also validates our sustained focus on fuelling the socio-economic aspirations of 'New India'. We are indeed grateful for your unstinted support that gives us the strength to keep moving ahead and fuels our spirit of service excellence.

At IndianOil, we take pride in being the 'Energy of India', and our robust financials validate our determination to excel against all odds. In fact, during 2021-22, IndianOil's revenue from operations went up by over 41% compared to the previous year, and our net profit went up by nearly 11%. This growth is remarkable, and to put it in context, we must remember that even the year before, we notched up record numbers. This is an extraordinary feat that will surely inspire Team IndianOil to aim for new benchmarks of operational excellence in the coming years.

Challenges and Champions

As the year 2021-22 set in, the nation witnessed the ravaging second wave of Covid-19. India's economy and health infrastructure reeled under the severe impact of the virus. It took a series of inspired and coordinated endeavours from the Government of India to reboot the nation. Let me proudly share that your Company led corporate India's efforts to align with the initiatives of the Government in alleviating the strain on the economy and citizens. From shoring up liquid medical oxygen supply in the country to strengthening medical infrastructure, the IndianOil team went all out to accomplish the mission.

As always, their humane face shone bright amidst extreme adversities. The spirit of 'Nation before Self' essentially defines our DNA, and it was illustrated again as we diverted the commercial oxygen production from our petrochemical plant to hospitals for medical use. These efforts were well acknowledged at every level giving us a sense of deep satisfaction. More importantly, our focus on operational excellence remained unwavering, and our energy soldiers ensured that even the country's remotest corners remained energised. However, some of our IOCians and frontline energy warriors succumbed to the menacing virus while serving the nation and I salute them for their contribution. The memory of our Covid martyrs will be etched in the annals of the Company's history in golden letters.



Liquid Medical Oxygen being transported by IndianOil during Covid pandemic

Optimised Operations

Call of Capex

Operational excellence is mostly about nurturing a team and a system that can work together to rise above every challenge and chase greatness. Your Company left no stone unturned to meet the high capital expenditure (capex) targets and rose above every constraint even during the pandemic to meet these targets consistently. You'll be happy to know that since 2018-19, IndianOil has contributed more than a quarter of the combined capex spend of all Public Sector Undertakings (PSUs), under the Ministry of Petroleum and Natural Gas. Last year was no exception as we replayed the success story and met the target of ₹ 29,347 crore, which is over 28% of the Ministry's overall outlay.



Committed IOCians ensured the nation is on the move 24x7x365

Rise of Refining

The ambitious capital expenditure caters to the fundamental tenets of our future growth strategy, namely refinery expansion and petrochemical integration. Never has IndianOil rolled out megaprojects of the magnitude that the Refineries Division is witnessing now. As I write to you, projects worth more than ₹1 lakh crore are in various stages of implementation. These mega projects will enhance the installed group refining capacity of your Company from the current 80.55 million metric tonnes per annum (MMTPA) to an estimated 107 MMTPA by the year, 2024-25.



Mr Rameswar Teli, Minister of State for Petroleum and Natural Gas, Labour and Employment, being handed over IndianOil's Brand Mascot by Mr S M Vaidya, Chairman, IndianOil

Our journey towards a robust petrochemical presence is also witnessing new highs every year. During 2021-22, our Naphtha throughput touched 3.0 MMTPA, about 28% higher than the target. Your Company is India's second-largest petrochemicals player, with a capacity of around 3.2 MMT. With various projects in the pipeline at Gujarat, Barauni, Panipat and Paradip refineries, the present Petrochemical Intensity Index (PII) of about 5% will go up to about 7% by 2025 and 15% by 2030.

The commissioning of the grassroot Mono Ethylene Glycol (MEG) plant at Paradip, Phase-1 Naphtha Cracker expansion at Panipat and Linear Alkyl Benzene (LAB) expansion at Gujarat Refinery will go a long way in enhancing your Company's profitability. We are determined to ensure the timely completion of these projects and leverage them to the best of our advantage.

I must add that our petrochemical forays will be critical catalysers for IndianOil's growth engine and the memorandum of understanding (MoU) signed with the Government of Gujarat in June 2021, reflects that validation. The MoU envisages setting up the Petrochemical and Lube Integration (LuPech) Project and Acrylics/Oxo Alcohol Project at Gujarat Refinery.

Pipelines Prowess

Our mammoth network of underground highways of more than 15,000 km is all set to increase with the completion of the 1,200 km-long Paradip-Hyderabad product pipeline. The Board has also approved the establishment of a 1,033 km-long Mundra-Panipat crude oil pipeline with a capacity of 17.5 MMTPA to meet the enhanced crude oil requirement of the Panipat Refinery, that is due for expansion from 15 to 25 MMTPA. We have also commissioned the Dahej-Koyali dedicated Natural Gas Pipeline (106 km long, 5 MMSCMD capacity). The pipeline connects the Dahej LNG terminal of Petronet LNG Ltd. to the Gujarat Refinery in Vadodara. This has enhanced IndianOil's self-sufficiency in pipeline operations.



IndianOil is a pioneer in petroleum pipelines in the country and manages one of the world's largest energy pipeline networks

Marketing Milestones

Our ambitious infrastructural investments are bound by two key focus areas — ensuring India's energy security and constantly delighting our invaluable customers. Adding to the bouquet of customer-centric initiatives, we launched XP95 in May 2021, the best-in-class branded fuel (with 95 Octane specification), that is not only more powerful and efficient than normal petrol but is also competitively priced. The fuel is available at 7,805 fuel stations across the country (till July 2022). We also rolled-out XTRAGREEN diesel in July 2021, and at the end of July 2022, the lower emission fuel is being sold at 1,078 fuel stations across India. Such innovative offerings ensure IndianOil has the most enriched product basket to cater to the preferences of every section of customers.



In the LPG sector, IndianOil now has the value - added XTRATEJ, for commercial and industrial use, 5Kg Variant – 'Chhotu', 2 Kg Variant – 'Munna' and the Composite cylinder

More importantly, we are ushering in a series of initiatives that infuse greater agility into our customer service. One such example is the Indane Tatkal Seva that was rolled out in January 2022 for our customers to avail guaranteed LPG delivery within two hours of booking at a nominal fee. The facility has been launched in Hyderabad and will soon be extended across the country. Another addition to this bouquet is the Indane Family



IndianOil's superbrand Indane, that has been igniting millions of kitchens across the nation, has completed 56 glorious years



Launch of 2Kg LPG cylinder, 'Munna' by IndianOil

Connect, where customers can book refill cylinders on behalf of family members or friends across India. Earlier, the 'Missed Call' facility for Indane refill delivery as well as for obtaining a new connection was launched in January 2021 making the process quite convenient. I would like to share another significant feat of your Company, wherein IndianOil released 50 lakh LPG connections under the Pradhan Mantri Ujjawla Yojana 2.0, before the target date of March 31, 2022.

Amid these accomplishments, fuel retailing remains our prime focus area, and we are determined to make concerted efforts to retain our market leadership, both through network expansion and enhanced throughput per pump. We have commissioned 2,521 fuel stations during 2021-22, taking the total tally to 34,559, including the Kisan Seva Kendra. In a bid called by the National Highway Authority of India (NHAI) for wayside amenities (WSA), IndianOil secured 10 out of 20 sites in the strategic greenfield Delhi-Mumbai Expressway, reinforcing your Company's presence along major corridors.

It is also heartening to share that we have kept our foot firmly on the digital accelerator to continuously deliver enhanced customer delight. One such shining example is the IndianOil XTRAREWARDS – Google Pay retail collaboration that was launched in September 2021. This synergy has enabled us to enrol GPay customers in the fold of our loyalty programme and enhance brand loyalty of our retail customers.

I am happy to share that our teams have been at their innovative best while creating new benchmarks of excellence in this sector. Taking the vision forward, we have introduced 'differentiated diesel with green combo lubes' that offer higher fuel efficiency with lower emissions. IndianOil has also begun trials of low-sulphur, low-aromatic kerosene with the Indian Army. We also commenced the dispatch of common winter-grade diesel from Leh and Kargil for the retail market. I am happy to share that our revamped storage depot and fuel stations at Kavaratti and Minicoy in Lakshadweep Islands were inaugurated in March 2022. IndianOil is the sole fuel supplier in the islands which reaffirms the trust that the Government and people of India have reposed in the capabilities of IndianOil.

Robust R&D

The year was quite special for IndianOil R&D Centre, which celebrated its Golden Jubilee on March 10, 2022. Throughout its 50 years journey, the Centre has set several benchmarks of innovation and excellence that have transformed IndianOil's forays and the overall Indian energy landscape. True to this spirit, the R&D Golden Jubilee celebrations culminated in a grand finale on March 22, 2022 at Vigyan Bhawan, where we launched the pathbreaking 'Surya Nutan' solar cooktop. It was a reiteration of our business strategies being in complete alignment with the national priorities. The patented cooking solution is green, cost-efficient and can be a gamechanger for the benefit of the masses.



Mr Hardeep S Puri, Union Minister of Petroleum & Natural Gas and Housing & Urban Affairs, launching the indoor solar cooking stove 'Surya Nutan' in the presence of Mr Rameswar Teli, Minister of State, Petroleum & Natural Gas, Labour and Employment and Mr S M Vaidya, Chairman IndianOil



IndianOil's highest altitude bulk storage depot at Kargil



IndianOil Whole-time Directors at R&D Center, Faridabad during the Golden Jubilee Celebrations

Power Partners

We are also pursuing synergistic collaborations to explore new avenues of opportunities. The brightest of such partnerships is the Hindustan Urvarak and Rasayan Limited (HURL), where we have joined hands with other PSUs, namely, NTPC Ltd., Coal India Ltd., The Fertilizer Corporation of India Ltd., and Hindustan Fertilizer Corporation Ltd., to develop three gas-based urea fertiliser plants at Gorakhpur, Barauni and Sindri.



Prime Minister Mr Narendra Modi inaugurated the Hindustan Urvarak & Rasayan Limited (HURL) Fertiliser Plant in Gorakhpur, Uttar Pradesh

These plants will augment domestic fertiliser production capacity by producing over 38 lakh Tonnes of neem-coated urea per annum. In December 2021, the Gorakhpur plant was dedicated to the nation by the Hon'ble Prime Minister. The other two plants at Barauni and Sindri are also in an advanced stage of completion.

Cheering for Green

Hi-Five to Hydrogen

Green captures the essence of today's energy world. The concerns over global warming, melting ice caps, shifting ocean currents and crop-destroying heat waves are far too real and palpable today, as compared to what was even a few years back. The environmental concern just no longer looms



Chairman, IndianOil riding India's first hydrogen fuel cell powered bike at R&D Campus, Faridabad



IndianOil signed an agreement with Nepal Oil Corporation to build a ₹ 275 crore petroleum product pipeline from Raxaul in Bihar to Amlekhgunj in Nepal

over our future but has started affecting our present. 'Green' is the word driving the priorities of the energy sector worldwide. India's green agenda, including achieving net zero emission target by 2070, continues to be an inspiring force as far as our future strategies are concerned.

To meet the net-zero commitment, the Indian Government has announced the Green Hydrogen and Ammonia Policy to boost green hydrogen production to 5 MMT by 2030 and make India an export hub for this clean fuel. As the 'Energy of India', your Company is committed to leveraging this policy support to power India's march towards the new energy frontiers of tomorrow.

Aligning with the national priority, IndianOil will be producing green hydrogen in stages at the Mathura and Panipat refineries. As a first step, we will be implementing a 5 KTA (40 MW) green hydrogen plant at Mathura Refinery and a 2 KTA (16 MW) plant at Panipat Refinery. To sync with the entire hydrogen value chain, IndianOil has forged crucial collaborations to develop green hydrogen production assets, associated renewable assets and manufacture electrolysers. This will be a gamechanger as electrolysers contribute to approximately 30% of the overall cost of green hydrogen. Due to the policy interventions by the Government of India, we foresee strong momentum in the electrolysers market and renewable power, with a commensurate decline in the cost of production of green hydrogen. Your Company is also exploring multiple hydrogen production pathways, including solar electrolysis, biomass gasification and bio-methanation. The hydrogen produced will be used for fuelling 15 fuel cell buses to establish the efficacy, efficiency and sustainability of the fuel cell technology and hydrogen production processes. In addition, we will commission a hydrogen dispensing station at the Gujarat Refinery to enlarge hydrogen-based mobility coverage.

Greater Aspirations Greener Avenues

Let me reiterate that your Company is already the leading voice in the Indian energy sector, even in endeavours related to the immediate future. Our aggressive approach in the 11th round of the City Gas Distribution (CGD) bidding process reflected this resolve as we secured 9 high market potential geographical areas (GAs) covering twenty six districts across the country. IndianOil, along with its JV companies, is now present in forty nine GAs. We are now poised to emerge as a dominant player in the Indian CGD market.



Indane's solar powered bottling plant at Madanpur Khadar, New Delhi

We have also sharpened our focus on bioenergy and renewables. Under the ambitious SATAT scheme on CBG (Compressed Biogas), IndianOil has awarded over 2,374 letters of intent (LOI) till July 2022, and is now marketing CBG from eighteen plants through thirty one fuel stations spread across nine states in the country.

Let me also touch upon electric vehicles (EVs), which may bring in a paradigm change in the mobility ecosystem across the globe. We target to provide EV charging stations (EVCS) at 10,000 fuel stations in the next three years. As a strategic initiative, your Company is pursuing the setting up of EVCS at public parking spaces at airports and tourist places.

Your Company is also exploring new technologies in the battery development sector. The joint venture (JV) of IndianOil and the Israeli technology company, Phinergy, has been working on the manufacture and commercialisation of aluminum-air technology in India. Taking this forward, a tripartite agreement was recently inked among IOC Phinergy Private Limited, (IOP), Hindalco Industries Limited, India's leading aluminum producer, and Phinergy Ltd. for R&D and pilot production of aluminium plates for the batteries, and recycling of aluminium, after usage in these batteries.



India's first Fuel Cell Electric Vehicle launched by Mr Nitin Gadkari, Union Minister for Road Transport and Highways, in the presence of Chairman, IndianOil

As your Company continues to enhance the green quotient of its refineries, IndianOil has signed an agreement with NTPC Ltd. to form a joint venture company to meet the power requirements of upcoming projects at IndianOil' s refineries.

In another significant development, IndianOil and Praj Industries Ltd. signed a memorandum of understanding (MoU) on October 20, 2021, to explore and collaborate on business opportunities in the biofuels arena, including CBG, Sustainable Aviation Fuel (SAF), Biodiesel, Ethanol, and so on, through the formation of a JV company in India.

Nuturing Nature

I must add that our environment and sustainability focus extends well beyond business-related endeavours. Due to reckless exploitation, excessive hunting and inadequate protection laws, the cheetah was driven to extinction in India over seven decades ago. To reintroduce the cheetah to its natural habitat in India, IndianOil is collaborating with National Tiger Conservation Agency (NTCA) to undertake a historical project. This unique project involves transcontinental relocation (from South Africa and Namibia) of cheetahs to Kuno National Park in Madhya Pradesh. Your Company is collaborating with NTCA to take this initiative forward. In line with this spirit, we launched the Rhino as our mascot that stands tall as IndianOil's commitment to protecting India's biodiversity.

Lives Enriched Beyond Business

Cornerstone of Care

As a brand with one of the most extensive customer interfaces in India, corporate stewardship is not a business obligation, but a stepping-stone towards enduring excellence for your Company. I'm reminded of the Dalai Lama who once said, "More compassionate mind, more sense of concern for other's well-being, is source of happiness".



IndianOil adopted six one-horned Rhinos at the Assam State Zoo. The cheque being handed over by Chairman, IndianOil

In the last three years, we have supported projects covering areas such as skilling and education, health care, and, environment and sustainability. IndianOil has also been in the forefront as far as the initiatives of corporate India are concerned, and has been steering the 'Skill India' revolution. We took a major leap as the permanent campus of IndianOil-run Skill Development Institute, Bhubaneswar, was inaugurated on August 20, 2021.

Speaking of healthcare, cancer care has been one of our key focus areas, and over the next 3 to 5 years, we will be contributing significantly to bolster India's cancer care infrastructure. Recently your Company aided the implementation of the Phase-2 expansion of Tata Medical Centre in Kolkata. In addition, we are planning to support the Indian Institute of Science (IISc), Bengaluru for their upcoming Medical Hospital & Research Centre, including setting up an oncology wing.

Tuberculosis (TB) continues to be one of India's severest health challenges. Considering the national importance of this challenge, IndianOil has committed to support the National TB elimination Programme (NTEP) in each of the 75 districts of Uttar Pradesh and 23 districts of Punjab. The programme's key objective will be to screen and test the entire population of UP and Punjab every year for the next 3 years, to help India eradicate the disease by 2025.

Strengthening Sports

IndianOil has consistently walked the extra mile to revitalise India's sporting landscape. You would recall that IndianOil's remarkable sporting contributions were acknowledged at the highest level when your Company were bestowed with the 'Rashtriya Khel Protsahan Puraskar' for 2021. It was an honour for me to accept the award from the Hon'ble President of India at Rashtrapati Bhawan last November on behalf of your Company. IndianOil also received the 'Sportstar Aces Award, 2022' under



Care being one of IndianOil's corporate core values, IndianOil continues to invest in healthcare, education, skilling and uplifting communities through its CSR initiatives

the category of the 'Best PSU for the Promotion of Sports'. Such accolades and recognitions strengthened our resolve to walk the extra mile to support Indian sporting excellence. Speaking of sporting excellence, IndianOil inducted 9 women hockey players into the IndianOil family on International Women's Day, 2022. This was a momentous occasion as IndianOil emerged as



IndianOil announced India's first Corporate Women's Hockey Team, a step towards encouraging sports in India

the first Indian corporate with a full-fledged Women's Hockey Team. IndianOil will also collaborate with the Ministry of Youth Affairs and Sports for a unique programme, 'IndianOil Shakti', to extend comprehensive support to talented young girl athletes.

More importantly, we have extended our focus on sports to reach out to the acutely disadvantaged sections of society. As the nation celebrated its 75th Independence Day on August 15, 2021, IndianOil embarked on an extraordinary journey through a unique programme, 'Parivartan —Prison to Pride', for a radical social transformation through the powerful medium of sports. Under this scheme, the galaxy of IndianOil sportspersons teamed up with external coaches and encouraged prison inmates to cultivate their sporting interests. The campaign was an exemplary demonstration of our core value of Care and has touched the lives of over 1,750 inmates from 37 prisons across the nation, till now. The journey has been deeply satisfying and has strengthened our commitment to power more such endeavours in the days ahead.

Towards a Better Tomorrow for All

Our energy requirements in the coming years are bound to grow as there is a need to bridge the energy access deficit in the country equitably and efficiently. So, oil and gas will continue to be the mainstay of your Company's operations at least for the next two to three decades and our core business will continue to play a defining role in crafting your Company's destiny. Team IndianOil is determined to strengthen our grasp as market leaders by focusing on two essential factors, service quality and the width and depth of our product offerings. As I already mentioned, your Company is geared up for the inevitable energy transition while dealing with fierce competition in our traditional business line.

IndianOil is poised for a great future. We have everything going our way — an energetic team, vast resources, R&D prowess, an operational and marketing network par excellence, and a strong financial position.

At IndianOil, we have always chosen values over profits and Nation over corporate gains. More importantly, our actions as a social enterprise speak louder than words in terms of our priorities that extend beyond the realm of business. Your Company is committed to carrying forward every business endeavour in a free, fair, and transparent manner. Let me emphasise that our core values of Care, Innovation, Passion and Trust will continue to guide us in the journey ahead.



IndianOil always believes in inclusivity. In line with the same, Chairman, IndianOil, continues to encourage women RO attendants across the country

Once again, thank you for your unstinted support that has been your Company's greatest strength and an eternal source of inspiration to take IndianOil towards a more prosperous future. We are committed to energising a nation and a world where happiness and peace thrive. As the great Nelson Mandela said, "What counts in life is not the mere fact that we have lived. It is what difference we have made to the lives of others that will determine the significance of the life we lead."

Stay healthy, stay safe!

sd/-
Shrikant Madhav Vaidya
Chairman

Strong Governance in Letter and Spirit

Transparency, integrity and accountability are the three principles that guide corporate governance at IndianOil. The governance system is intended to set high standards of ethical and responsible conduct of the Company's business to maximise value for all stakeholders, including shareholders, customers, employees, contractors, vendors, and society at large. It aims to strengthen the relationship of trust between IndianOil and its stakeholders and help the Company achieve its goals and objectives. IndianOil's governance structures and processes are duly evolved and adapted from time to time to reflect emerging best practices.

Whole-time Directors



Shri Shrikant Madhav Vaidya
Chairman



Dr S. S. V. Ramakumar
Director (Research & Development)



Shri Ranjan Kumar Mohapatra
Director (Human Resources)



Shri Sandeep Kumar Gupta
Director (Finance)



Shri V. Satish Kumar
Director (Marketing)
w.e.f. 28.10.2021



Shri D. S. Nanaware
Director (Pipelines)
w.e.f. 28.12.2021



Ms Sukla Mistry
Director (Refineries)
w.e.f. 07.02.2022



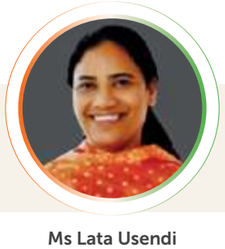
Shri Sujoy Choudhury
Director (Planning & Business Development) w.e.f. 23.02.2022

Government Nominee Director



Dr Navneet Mohan Kothari

Independent Directors



Ms Lata Usendi



Shri Dilip Gogoi Lalung
w.e.f. 24.11.2021



Dr Ashutosh Pant
w.e.f. 24.11.2021



Dr Dattatreya Rao Sirpurker
w.e.f. 24.11.2021



Shri Prasenjit Biswas
w.e.f. 24.11.2021



Shri Sudipta Kumar Ray
w.e.f. 24.11.2021



Shri Krishnan Sadagopan
w.e.f. 24.11.2021



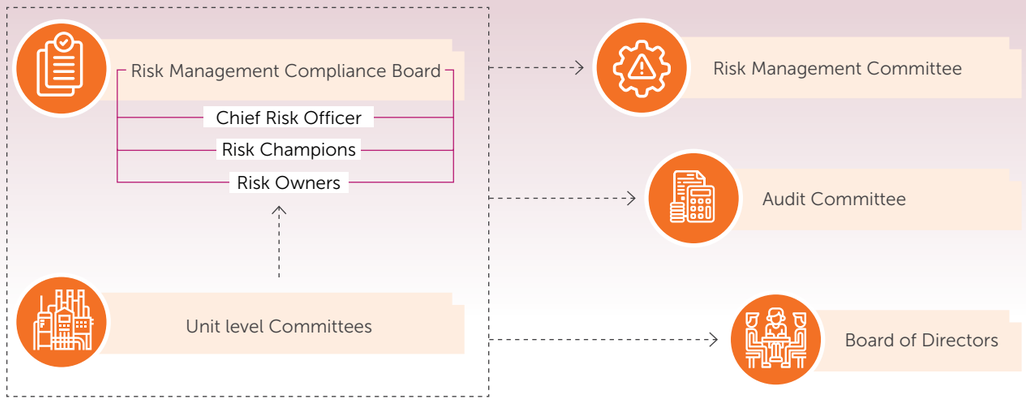
Dr (Prof) Ram Naresh Singh
w.e.f. 08.04.2022

Managing Risks with Clear Foresight

Our operations are prone to both internal and external risks, which can substantially impact our ability to create value for the short, medium and long term. Our Enterprise Risk Management (ERM) policy and integrated assurance methodologies ensure that we have the right risk resilience mechanism. Our internal processes are strong enough to monitor and manage risks in a holistic manner, taking into cognisance the interests of all stakeholders. Our ERM framework is regularly reviewed in line with the changing risk landscape relevant to our business. Data on risk management is submitted by respective risk owners through internally designed ERM portal in order to enable all users to have access to data on real time basis.



Risk Management Framework



Identification and Mitigation of Key Risks

Key risks | **Mitigation plan**

Market risk

The year saw significant fluctuations in crude oil prices owing to pandemic-induced supply chain disruptions and geopolitical tensions. The latter also led to significant increase in inflation worldwide. The increasingly dynamic macro-economic environment might have an adverse impact on our operations and financial stability.

Notwithstanding the externalities beyond our control, we strive to focus on robust physical performance and efficiency to offset the impact of these risks. Diversified crude oil sources, low cost domestic / foreign currency borrowings and all-round process innovations ensure that the economies are achieved.

Material issues addressed and capitals impacted

Material topics addressed:
- Market volatility
- Economic performance

Capitals impacted:
- Financial
- Manufactured

Key risks | **Mitigation plan**

Loss of Competitiveness risk

With increasing competitiveness across industries we operate in, it is paramount for us to keep up with evolving consumer demand, optimise our costs and improve the overall efficiency of processes. Inability to achieve the same might result in loss of consumers' confidence and have an adverse impact on revenue, profitability and brand value.

At IndianOil, our zeal to explore new horizons of innovative excellence in our products and services is underpinned by our endeavour to be a future-ready organisation and retain market leadership. This also enables us to deliver best-in-class services and offer one-of-its kind products to our customers. Additionally, our state-of-the-art R&D centre, which constantly innovates new products as per market trends, helps us to remain ahead of competition and build brand loyalty.

Material issues addressed and capitals impacted

Material topics addressed:
- Product stewardship
- Customer satisfaction and brand loyalty

Capitals impacted:
- Manufactured
- Financial

Key risks | Mitigation plan

Alternative Energy and Environment Conservation
risk

Ensuring optimum utilisation of scarce resources, reducing environmental footprint and increasing consumption of renewable sources of energy has never been more important. Inability to reduce our environmental footprint, maintain emissions below the prescribed levels and invest in alternative source of energy, might have adverse impact on our reputation and might have financial implications in the form of fines and penalties.

We continue to make big strides towards reducing our environmental footprint. Our approach towards environmental stewardship encompasses measures and initiatives around emissions reduction, increased water and energy conservation, waste reduction and increased usage of renewable energy. We are also investing towards building presence in the green energy segment that empowers our customers to reduce their environmental footprint.

Material issues addressed and capitals impacted

Material topics addressed:
- Climate change mitigation
- Product stewardship
- Managing environmental impact

Capitals impacted:
- Financial
- Social and Relationship
- Natural

Key risks | Mitigation plan

Financial
risk

Our operations are exposed to the risks from foreign exchange rate fluctuations and interest rate as we have a dominant presence in the international market as well. This might impact our financial position and our ability to create value for our stakeholders.

We constantly assess the fluctuation in exchange and interest rates and based on potential of these risks being realised, appropriate hedging positions are being taken as per approved policy. We also continuously undertake cost control measures that empower us to ensure consistent growth in profitability despite headwinds.

Material issues addressed and capitals impacted

Material topics addressed:
- Economic performance
- Market volatility

Capitals impacted:
- Financial

Key risks | Mitigation plan

Cyber Threats and IT Security
risk

With the adoption of disruptive technologies and platforms, there lies a significant risk of cyber-attack. Loss of sensitive and private data and information might have adverse impact on our reputation as well as our profitability.

To ensure protection of sensitive and confidential information, we have implemented a defence-in-depth cyber security architecture. We also have a robust data privacy policy and all our data centres are ISO 27001:2013 certified.

Material issues addressed and capitals impacted

Material topics addressed:
- Customer satisfaction and brand loyalty
- Security practices

Capitals impacted:
- Financial
- Intellectual

Key risks | Mitigation plan

Human Resource
risk

Our success depends on our ability to attract and retain key talent who can use their skills to create value for our consumers and make strategic changes that enable us to achieve our goals in today's highly competitive market. Additionally, ensuring their health, safety and well-being, and upgrading their skills with changing market dynamics have gained significant importance.



At IndianOil, the health, safety and well-being of employees and contractual workers have always been a priority. All our refineries are certified to Occupational Health & Safety Management System (OHSMS/OHSAS018001), besides having fully equipped occupational health care centres. IndianOil is the first PSU to launch Project 'Happiness and Well-being'.

Our vision is to 'Align our People and Talent Capability to Deliver Our Energy Promise to the Nation'. Thus, we continue to organise various training and development programmes for new and existing employees, covering an array of topics including functional, behavioural and technical aspects. We also leverage digital platforms to increase our employees' productivity and efficiency. Most of our top executives have risen from within the ranks. This stands as a testimony to our ability to upskill our employees and provide them unlimited opportunity to grow and expand their professional as well as personal life.

Material issues addressed and capitals impacted

Material topics addressed:
- Health and safety
- Employee practises
- Labour rights and retentions

Capitals impacted:
- Financial
- Human

A Sustainable Model for Long-term Value Creation

Our attractive growth trajectory since inception and sustained contribution to the progress of the nation bear testimony to the strength of our business model. As one of India's biggest commercial enterprises, we continue to evolve our value creation framework in response to the changing expectations of all stakeholders.

Input

ECONOMIC

Financial Capital
₹ 1,31,286 crore Equity
₹ 1,10,799 crore Debt

Manufactured Capital
9 Refineries
15,000+ Km Pipeline
58,000+ Marketing touch points

Intellectual Capital
₹ 577 crore R&D Spend
448 Total team size at R&D centre

ENVIRONMENT

Natural Capital
98.68 billion litres Water consumed
₹ 708.5 crore Invested on development of alternative source of energy
314 Trillion BTU
Total energy consumed

SOCIAL

Human Capital
31000+ Employees
8.7% Female Employees
₹ 116.18 crore Spend towards training and development

Social & Relationship Capital
₹ 298.29 crore Spent towards CSR activities
493 CSR projects

Our Process

Our Values: Care, Innovation, Passion, Trust

Our Focus: Customers, Technology, People, Ethics, Innovation, Environment



























Product Storage, Blending and Distribution Infrastructure

Fuels for Large Consumers
Efficient, high-end fuels and lubricants
Aviation
Rail
Shipping
Defence

Product retailing
Automated fuel stations
Petrol
Diesel
Blended fuels
CNG
CBG
Electric Charging Facility



Bio-energy
Commenced sale of CBG under the SATAT scheme from fuel stations at Pune and Kolhapur under the brand name "IndiGreen" in Sept 2019

237.42 MW Renewable energy portfolio
Wind energy
167.6 MW of wind-power capacity
Solar energy
69.82 MW of solar photo-voltaic capacity

Outputs	Outcomes	SDGs
Financial Capital ₹ 24,184 crore PAT ₹ 47,568 crore EBITDA	• Ensuring consistent growth in revenue and profitability • Ensuring healthy dividend payout • Maintaining healthy balance sheet and liquidity position	
Manufactured Capital 67.67 MMT Refineries throughput 83.25 MMT of throughput achieved by pipelines 86.41 MMT Product sales	• Investing towards growth and expansion • Increase in overall efficiency of processes • Improving our throughput and quality of products and services • Investing towards upgrading to state-of-the-art technologies	
Intellectual Capital 1,519 Patents filed 1,410 Effective patents	• Building strong brand value and recall • Increasing our investment towards R&D • Preparing Corporation for future by using the 'Power of Possibilities'	
Natural Capital 3.36 MMT CO_2-eq Avoidance of GHG emissions 104.1 Energy Intensity Index 43.57 billion litres Waste water recycled 439 MT Waste paper recycled	• Reducing our environmental footprint • Ensuring resource optimisation and waste reduction • Reduce our carbon emission	
Human Capital 7,79,229 hours Training provided ₹ 23.30 crore Revenue per employee	• Building a safe, diverse and inclusive work environment • Investing towards training and development of employees in line with changing market dynamics • Ensuring mental as well as physical well-being of employees	
Social & Relationship Capital 48% Dividend payout ratio 77.46 lakh People benefited from our CSR activities ₹ 2,64,436 crore Contributed to exchequer	• Building mutually beneficial and long-standing relationship with stakeholders • Working towards improving the quality of life of people residing in the communities in which we operate	

Wide-ranging Interactions with all Stakeholders

Stakeholders are key to our success and value creation strategy. We have always been deeply engaged with our growing stakeholder fraternity in order to understand their aspirations and concerns and align our strategies accordingly. Effective and continuous communication with stakeholders helps us build trust and deliver positive outcomes.

Investors

The investors community provides us access to equity and debt funds. They also drive demand for our shares, strengthening our market capitalisation.



Needs and expectations

- Long-term and sustainable return on investments
- Constant growth in revenue and profitability
- Optimum debt-equity ratio
- Transparent and proper disclosure of strategy, value creation philosophy and resource management

Mode of engagement

- Public disclosures on website and stock exchanges
- Annual General Meeting
- Press briefing
- Social media

Value we create

We strive to provide sustainable return on investments to the providers of financial capital through dividend payment, share price appreciation, capital and interest payment. We also ensure proper disclosure of sustainability KPIs, and financial and non-financial factors that provide valuable information to investors.

Customers

Serving our customers is a primary concern that drives our brand. Their evolving demand for our products and services enables us to generate healthy revenues.



Needs and expectations

- Superior quality, reliable and affordable products and services
- Value-added products and services
- Timely resolution of queries and complaints
- Responsive communication on relevant programmes and services

Mode of engagement

- Advertisements
- Corporate website
- Mobile App (IndianOil ONE)
- Customer satisfaction survey
- Safety Clinics
- Customer care / grievance portal
- Social media

Value we create

We constantly create value for our customers through continuous supply of petroleum products and cater to market aspiration by continuously offering novel products and services. We ensure continuous and steady supply of services at fuel stations and timely redressal of complaints. We also provide timely and doorstep service to our B2B clients.

Employees and Contractual Workers

Our employees possess the required skills and expertise for core operations and supporting business processes. They are our growth enablers, ensuring sustainable performance and value creation.



Needs and expectations

- Fair and timely remuneration
- Reward, recognition and appreciation for performance
- Diverse, open, non-discriminatory and safe working environment
- Job security
- Opportunities to grow within the Company

Mode of engagement

- Annual employee satisfaction survey
- Grievance redressal / HR portal
- Electronic communications
- Conclaves, workshops, seminars and training programmes

Value we create

At IndianOil, we recognise our role as a responsible employer to provide a diverse, inclusive and rewarding working environment. We organise various training and development programmes for new and existing employees, while encouraging internal hiring and promotions.

Government and Regulatory Bodies

Government and Regulatory Bodies formulate laws and regulations that we must comply with, while conducting our daily activities.



Needs and expectations

- Timely and transparent disclosure
- Compliance with rules
- Fair competition in the market
- Ensuring quality and affordable products and services
- Contribution towards national economic growth

Mode of engagement

- Official meetings / MoU reviews
- Monthly / periodic project updates
- Electronic communications
- Public disclosures
- Conclaves, seminars and events
- Inspection, audits and compliance reports
- Public disclosures on financial / ESG performance

Value we create

We contribute towards the country's economic growth through payment of taxes, licence fees and investment in infrastructure development. We also align our activities with government initiatives such as 'Make in India' and 'Aatmanirbhar Bharat'. Robust engagements with government and regulatory bodies enable us to participate in national and international policy formulations and contribute towards the establishment of regulatory frameworks.

Business Partners

We have strong relationship with our business partners which enables us to ensure supply of superior quality products and services to our customers. They underpin our value chain and directly influence our ability to ensure timely supply of products and services. They also influence our ability to meet the needs and expectations of our customers.



Needs and expectations

- Timely payments
- Adherence to laws and regulations
- Ethical and transparent code of conduct
- Quality products

Mode of engagement

- Annual dealer and distributor conventions
- Transporters' meet
- Meetings with contractors / vendors
- Seminars and workshops

Value we create

We support our business partners in reducing their carbon footprint through automation and green energy solutions. We also support local employment through engagement with local contractors. Further, we undertake services from our business partners at fair terms, allowing individual businesses to grow and expand.

Communities and Society

Communities form an integral part of our social existence and we have a responsibility to contribute to the socio-economic needs of the communities where we operate.



Needs and expectations

- Employment creation and business opportunity
- Financial support
- Reduction of adverse environmental impact

Mode of engagement

- Need assessment surveys
- CSR activities
- Grievance redressal forums

Value we create

At IndianOil, we are committed to generating economic value that uplifts the community by addressing its needs and challenges. We constantly work towards minimising our environmental footprint and generating sustainable profit.

Through our CSR intervention, we focus on 'providing safe drinking water and protection of water resources', 'healthcare and sanitation', 'education and employment enhancing vocational skills', 'rural development', 'environmental sustainability' and 'empowerment of women and socially/ economically backward groups'.

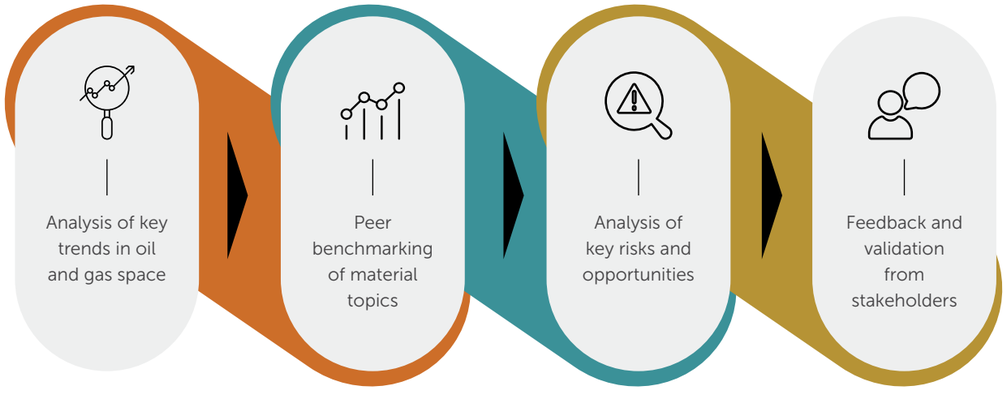


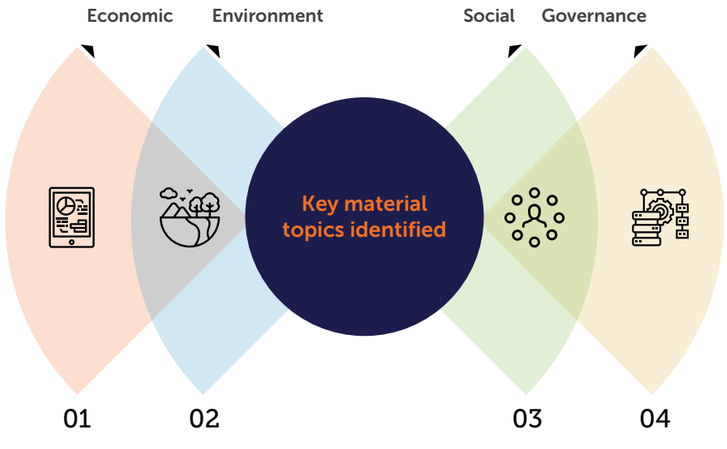
Materiality Assessment

Appropriate assessment of material issues is critical to ensuring long-term value creation for all stakeholders in a dynamic operating environment. At IndianOil, we had undertaken a materiality assessment during 2020-21 to identify economic, social, environmental and governance matters that present material risks, while simultaneously taking cognisance of our external operating context and those issues which are of particular concern to stakeholders.

We align our identification of material sustainability topics with the GRI standards, UN Global Compact, as well as considering information relating to the energy sector, our regulatory requirements and matters raised during engagements with our people and our external stakeholders.

Our Approach







Supporting the SDGs

IndianOil is working towards identifying solutions to the social and environmental challenges and create an inclusive, peaceful, and prosperous world for all. We are proud to make steady progress towards the SDG goals, touching all seventeen goals directly or indirectly, through our day-to-day operations, community development, and initiatives to protect the environment. However we focus on 10 SGDs where we can create maximum impact.



SDG 3

Ensure **safety of workforce** with a well-defined safety management system and defined roles and responsibilities.

SDG 8

As a Maharatna PSU, we have contributed over last six decades towards the economic growth of India, **generating several employment opportunities and promoting multiple businesses**

SDG 6

Strive to **optimise water consumption** across locations with several water conservation initiatives

SDG 9

Continuous **investments in technological upgradation** of our refineries and pipelines backed by our robust R&D team for development of fuels and petroleum products

SDG 7

Apart from spearheading the Pradhan Mantri Ujjawala Yojana (PMUY) and Sustainable Alternative Towards Affordable Transportation (SATAT) scheme, we are diversifying our product portfolio with **introduction of clean energy products**

SDG 12

Complying with **various regulatory norms and promoting sustainability initiatives** across our supply chain. We are moving towards a circular economy through our efforts in developing bio-energy from waste, plastic recycling and promoting indigenous purchases

SDG 13

Reducing emissions from our operations through energy efficiency measures and through use of greener fuels like natural gas and renewable energy. We are reducing emissions from our products through innovative products and green offerings like **CBG and Natural Gas.**

SDG 16

Committed to **highest standards of accountability and integrity** within our operations

SDG 15

Continue to develop greenbelt / eco-parks across our operating locations for conservation of flora and fauna, while also **planting trees to restore ecosystems**

SDG 17

Partnering with NGOs, academic institutions, industry bodies and several business partners in our endeavour to **create a positive impact on lives** we touch.



FINANCIAL CAPITAL

IndianOil strives to maximise returns on its financial resources and investments, with critical evaluation of risks involved in our operating scenario. Our financial performance in 2021-22 demonstrates the robustness of our business model, along with various short-term and medium-term strategies adopted in view of the shifting dynamics of the energy market. Despite challenges posed by the pandemic and geopolitical conflicts, we have been able to notch up the highest ever revenue and net profit, a high-octane performance.

41%
YoY growth in revenue from operations

~99%
Growth in GRM

₹ 47,568 crore
EBITDA

₹ 26.34
EPS

15.44%
RoCE

Material issues addressed
- Sustainable Supply Chain
- Market Volatility
- Economic Performance

SDGs covered



Our Inputs

During the year, we continued to maintain an optimum debt to equity ratio of 0.84:1. We continue to adopt lean financial measures across operations to maintain liquidity with minimum stress on the balance sheet.

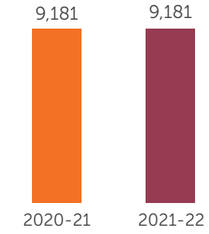
Robust Outcomes

With the revival of demand, we geared our operations to address the rising energy needs of India. During the year, we reported highest ever revenue and net profit which stood at ₹ 7,28,460 crore and ₹ 24,184 crore respectively.

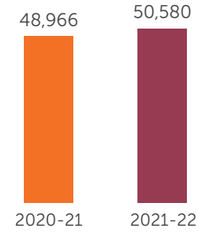
We continue to maintain healthy balance sheet and robust liquidity position on the back of our prudent capital allocation strategy. Our long-term credit rating from CRISIL – AAA/Stable – stands as a testimony to our dominant position in the oil refining and marketing sector, and our strong operating efficiency.

During the year, we continued to maintain comfortable liquidity position. We also have access to bank lines and overdraft facilities to maintain sustainable cash flow.

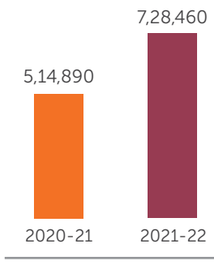
Equity share capital
(₹ in crore)



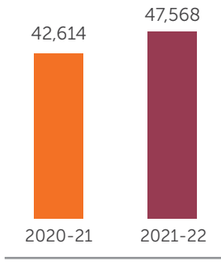
Long-term borrowing
(₹ in crore)



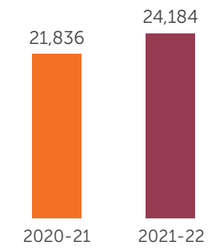
Revenue from operations (₹ in crore)



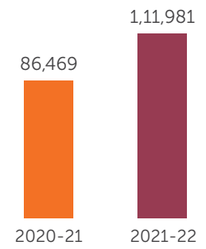
EBITDA
(₹ in crore)



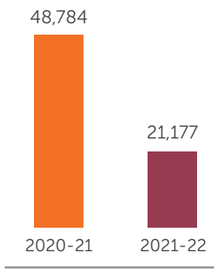
PAT
(₹ in crore)



Market capitalisation
(₹ in crore as on March 31)



Operating cash flow
(₹ in crore)



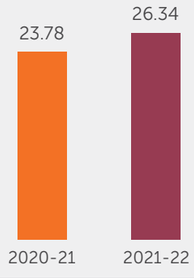
Wealth Creation

Our consistent growth in revenue and profitability has enabled us to create superior and consistent value for our shareholders year-after-year. During 2021-22, the EPS registered a growth of 11% from ₹ 23.78 per share in previous year to ₹ 26.34 per share. We declared a total dividend of ₹ 11,568 crore (including interim dividend of ₹ 8,263 crore) for the year. We also issued bonus equity shares in the ratio of one equity share of ₹ 10 each for every two equity shares of ₹ 10 each held.

Dividend pay-out
(in %)

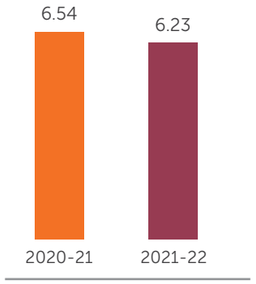


EPS
(in ₹)

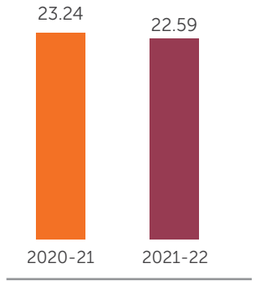


Key Ratios Achieved

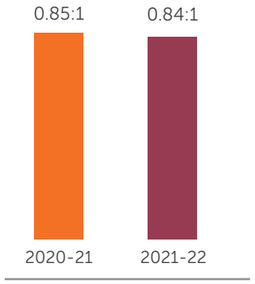
Return on Assets (in %)



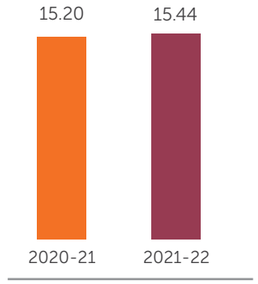
Return on Average Net Worth (in %)



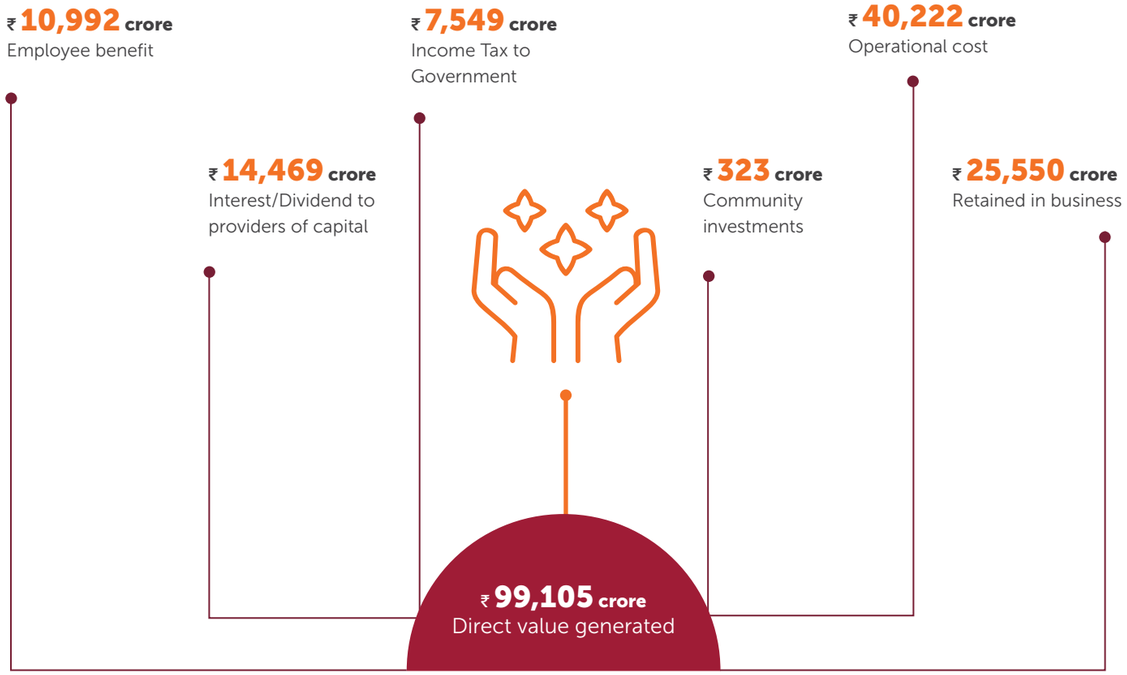
Debt-Equity Ratio



Return on Average Capital Employed (in %)



Value Created and Distributed to Stakeholders



IndianOil R&D
The Power of Possibilities

50 years of Innovative Excellence

IndianOil R&D

Celebrating 50 Years of Innovative Excellence

One of Asia's finest in downstream petroleum R&D, the IndianOil R&D Centre has been pioneering cutting-edge innovations, products and processes to empower India's self-reliance in energy. Innovations from IndianOil R&D have continued to energise core areas like Lubricants, Catalysts, Fuels & Additives, Petrochemicals & Polymers as well as futuristic alternate energy segments such as Bio-Energy, Solar Energy, Hydrogen, Energy Storage, e-Mobility and CCU Technologies.

Milestones in the Golden Journey

1972
IndianOil R&D established for lubricant development & technical support

1977
Developed the runaway hit Nutan kerosene wick stove that saved 30% kerosene and cut down cooking time by 25%. Won UN WIPO Gold Medal in 1984.

1982
SERVO RR 606MG becomes the first multi-grade oil approved by Indian Railways for rail-road operations in its expansive network

1985
Research picks up in Refining, Pipeline transportation & Additive Synthesis

1995
Focus on technology scale-up & demonstration, Bio-remediation technology comes through

2003
INDMAX technology developed to convert residue into high value LPG and light olefins

2004
Developed and deployed high tech computerised pipeline probe IPIG in collaboration with BARC to monitor health of underground pipelines

2005
With approval of SERVO marine oil, IndianOil emerged as the sixth player globally and first Oil Company in Asia-Pacific to possess homegrown marine lubricant technology

2005
Research kickstarted in Hydrogen-fuelled vehicles, Nation's first Hydrogen dispersing station commissioned at IndianOil R&D

2010
Research in Petrochemicals, Nanotech, Bioenergy picks up to tap future growth

2011
Bio-energy Research Centre set up with a vision to address second and third generation bio-fuels and turn green dreams into reality

2019
IndianOil realises its dream of becoming a global technology licensor. INDMAX refining technology selected by NIS, Serbia

2020
Foundation stone for second R&D campus laid. Four Centres of Excellence in Alternative & Renewable Energy, Nanotechnology, Synthetic Biology and Corrosion Research planned





Details of Group Refineries

REFINERY (LOCATION)	CAPACITY IN MMTPA (as on 31st March, 2022)
Digboi	0.65
Guwahati	1.00
Barauni	6.00
Gujarat (Koyali)	13.70
Haldia	8.00
Bongaigaon	2.70
Mathura	8.00
Panipat	15.00
Paradip	15.00
CPCL (Subsidiary) Refinery	
Manali, Chennai	10.50
Total	80.55

Details of Pipelines Network

S.NO.	PIPELINE	LENGTH (KM)	CAPACITY (MMTPA)
	Product Pipelines (as on March 31, 2022)		
1	Koyali Ahmedabad Pipeline	79	1.10
2	Koyali Sanganer Pipeline with extension upto Panipat via JPNPL	1644	5.00
3	Koyali Dahej Pipeline	197	2.60
4	Koyali Ratlam Pipeline	265	2.00
5	Barauni Kanpur Pipeline and branch line to Motihari, Baitalpur and Amlekhgunj	1227	3.50
6	Haldia Mourigram Rajbandh Pipeline	277	1.35
7	Haldia Barauni Pipeline	526	1.25
8	Guwahati Siliguri Pipeline	435	1.40
9	Panipat Bhatinda Pipeline	219	3.00
10	Panipat Rewari Pipeline	155	2.10
11	Panipat Ambala Jalandhar Pipeline and branch line to Una	495	3.50
12	Panipat Delhi Pipeline	189	3.00
13	Panipat Bijwasan ATF line	111	
14	Mathura Delhi Pipeline	147	3.70
15	Mathura Tundla Pipeline	56	1.20
16	Mathura Bharatpur Pipeline	21	
17	Chennai Trichy Madurai Pipeline	683	2.30
18	Chennai Bengaluru Pipeline	290	2.45
19	Paradip Raipur Ranchi Pipeline	1073	5.00
20	Chennai Meenambakkam ATF Pipeline	95	0.18
21	Devangonthi Devanhalli Pipeline	36	0.66
22	Kolkata ATF Pipeline	27	0.20
	Total (Product pipelines excluding LPG)	8247	45.49

Details of Pipelines Network (Contd...)

S.NO.	PIPELINE	LENGTH (KM)	CAPACITY (MMTPA)
	LPG Pipelines		
1	Panipat Jalandhar LPG Pipeline	280	0.7
2	Paradip Haldia Durgapur LPG Pipeline and extension to Banka	873	1.27
	Total (LPG Pipelines)	1153	1.97
	Crude Oil Pipelines		
1	Salaya Mathura Pipeline	2660	25
2	Mundra Panipat Pipeline	1194	8.4
3	Paradip Haldia Barauni Pipelines	1447	15.2
	Total (Crude Oil Pipelines)	5301	48.6
	Total Existing (Product + LPG + Crude Oil Pipelines)	14701	96.06
	Gas Pipelines		Capacity (MMSCMD)
1	Dadri-Panipat Gas Pipeline	141	9.5
2	Ennore-Tuticorin-Bengaluru Gas Pipeline	165	13.09
3	Dahej-Koyali RLNG Pipeline	106	5.23
	Total Existing (Gas Pipelines)	412	27.82

Map not to scale



Map not to scale

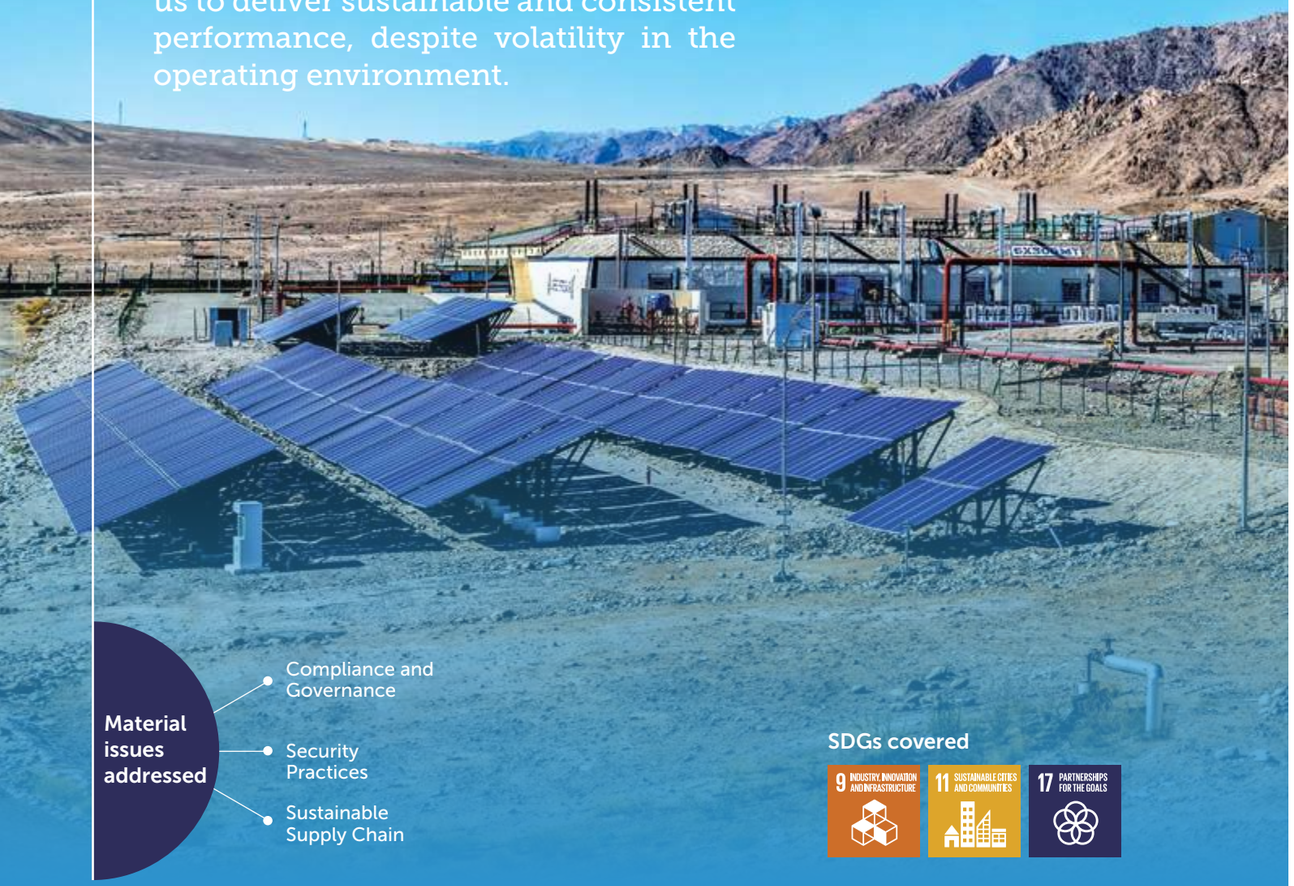
MANUFACTURED CAPITAL

At IndianOil, our robust performance is the outcome of our strong commitment to fulfil India's energy needs responsibly and our presence in the entire value chain of the hydrocarbon industry. Our manufactured capital comprises best-in-class, diverse assets and an integrated operating model that enables us to deliver sustainable and consistent performance, despite volatility in the operating environment.

9
Refineries

15,000+ Km
Pipeline

58,000+
Marketing touch points



Material issues addressed

- Compliance and Governance
- Security Practices
- Sustainable Supply Chain

SDGs covered

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
17 PARTNERSHIPS FOR THE GOALS

01 Refining

With a share of approximately 28% of India's refining capacity, IndianOil has been fuelling the Government of India's vision of achieving self-reliance in oil refining and marketing. We have nine refineries strategically placed across the country, catering to the growing energy requirements of the country.

Highlights for the year

- Successful development of BS-VI complaint Diesel High Pour Point (DHPP) product for military usage, suitable for extreme cold weather such as Leh-Ladakh.
- Reused 60% of the high-value regenerated spent catalyst at Barauni Refinery PrimeG unit for the first time, resulting in cost savings of ₹ 23.97 crore over the next three years.
- 138 new energy schemes have been identified at Guwahati, Mathura, Paradip, Panipat, Barauni and Haldia refineries, under Mandatory Energy Audit (MEA), that have energy saving potential of around 207,906 SRFT/year.
- First consignment of PROPEL Polymers was dispatched to our subsidiary in Sri Lanka in line with our plan to establish PROPEL brand in the neighbouring countries.
- Seven new crude oil grades were included in our basket increasing its size to 210 crude variants.

Road ahead

With increasing demand for petroleum products, we are constantly investing towards expanding our capacities. We are planning to expand the refining capacity to 107 MMTPA by 2025 with capacity expansion under implementation at Guwahati, Barauni, Gujarat, Panipat, Digboi and Cauvery Basin (CPCL) refineries.

Strategic advantages

- Operating the largest number of refineries in India
- Ability to commission several grassroot refineries and modern process units
- Strong technological backbone
- Vast industry experience and expertise

70.05 MMTPA
Refining capacity

67.67 MMT
Refineries throughput

96.6%
Capacity utilisation





02 Petrochemicals

As the second biggest player in India's petrochemicals market, IndianOil is working towards siezing the high growth opportunities that this market presents. Our full range of petrochemical products under the brand 'PROPEL', serve everyday needs of our customers.

Highlights for the year

- Poly Propylene Random Copolymer, high melt reactor grade 2300 MC, was launched on PROPEL for usage in household bottles and containers.
- Initiated export of Polymer to Sri Lanka and Turkey
- 22 OEM approvals received including Tata Steel, Amara Raja Batteries and Reckitt Benckiser.

2.92 MMT
Highest ever annual petrochemical sales

1 MMT
Milestone of 1 MMT polypropylene sale crossed

1.75 MMT
Highest ever Polymer sales

Road ahead

Going forward, we have planned to invest ₹ 35,000 crore towards projects that will utilise product streams from our existing refineries, thereby achieving better exploitation of the hydrocarbon value chain. PX-PTA and Ethylene Glycol projects at Paradip and Oxo Alcohol project at Gujarat are three major petrochemical projects under execution. Ethylene Glycol project is scheduled for commissioning in 2022-23.

Strategic advantages

- Adoption of best-in-class technologies
- Robust supply chain and distribution network
- Best-in-class quality standards
- Strong brand name and recall
- Robust R&D capabilities

3,200 KTA
Current petrochemicals production capacity



Market share of the products in India

15% Polymers

6% Purified Terephthalic Acid (PTA)

10% Mono Ethylene Glycol (MEG)

17% Linear Alkyl Benzene (LAB)

Product Application & Development Centre, Panipat

03 Pipelines

Managing one of the world's largest petroleum pipeline networks, IndianOil ensures safe, cost-effective, energy-efficient and environment-friendly transportation of crude oil and petroleum products.

Highlights for the year

- Crude oil pipelines achieved throughput of 48.53 MMT which is around 10% higher than last year.
- Product pipelines achieved throughput of 34.72 MMT, which is around 9% higher than that of last year.
- Gas pipelines achieved highest ever throughput of 2,985 MMSCM, which is around 11% higher than that of last year.
- Launch of indigenously developed Drag Reducing Additive (DRA) - 'XTRAFLO', for usage in pipelines.
- Investment approval for projects worth ₹ 17,703 crore - New Mundra Panipat Crude Oil pipeline, pipelines connecting Kamarajar Port, Vallur Terminal and CPCL at Chennai and CGD projects in 9 geographical areas (GAs).
- Tenders for optical fibre-based Pipeline Intrusion Detection and Warning System (PIDWS) were floated in January and March, 2022. This system would help detect, alert and prevent any third-party intrusion in the mainline ROW of underground petroleum pipelines. These are by far the largest tender for PIDWS ever floated in India.

83.25 MMT
of liquid throughput achieved in 2021-22

96.06 MMTPA
Capacity of crude oil and product pipelines

15,113 km
Total network of pipelines

27.82 MMSCMD
Capacity of gas pipeline

Road ahead

We are implementing three major projects including new grassroot refinery at Nagapattinam (Tamil Nadu), capacity augmentation of Koyali Refinery (Gujarat) from 13.7 MMTPA to 18 MMTPA (J-18), Barauni Refinery (Bihar) from 6 MMTPA to 9 MMTPA (BR-9) capacity augmentation of Panipat Refinery (Haryana) from 15 MMTPA to 25 MMTPA (P-25). These three projects would guide the other project activities that will be implemented in the Pipelines Division in near future, to cater to the rise in requirement of crude oil and for evacuation of petroleum products arising out of implementation of these major projects to demand centres.

Strategic advantages

- Our infrastructure ensures most reliable and safest mode of transportation of high volumes of petroleum products over long distances compared to other modes such as rail, road and tankers.
- Ensures uninterrupted supply of petroleum products in all weather conditions
- Energy efficient mode of transportation with negligible transit losses
- Minimal impact on environment due to lesser carbon emission



04 Natural Gas

IndianOil is the second biggest player in the RLNG market in India and is strenghtening its position across the natural gas value chain by scaling up LNG sourcing, strengthening import terminals, pipelines and city gas distribution networks and providing 'LNG at the doorstep' service to customers.

Highlights for the year

- Successful development and launch of Mobile app — 'INDIANOIL PNG' — for PNG customers on Google play and Apple iOS store.
- CNG sales registered a sustained growth over previous year and is in the range of 26,000 Kg/day (35,000 SCMD).
- Purchased domestic natural gas for the first time by bidding in an e-auction conducted by the Consortium of Reliance Industries Limited and BP Exploration (Alpha) Ltd. for sale from the KG D6 Gas fields.
- Procured 30 LNG cargoes equivalent to 1.94 MMT.
- Commissioned Dahej-Koyali natural gas pipeline in March, 2022 which is the first dedicated pipeline of IndianOil.
- Acquired 4.93% of equity in the Indian Gas Exchange Limited and also became its Proprietary member.

Road ahead

For the next year, Gas-in at CGS / LNG hub for five geographical areas namely Morena, Bhagalpur, Deoghar, hub of Salem and hub of Visakhapatnam is proposed. Further, 120 CNG stations are expected to be mechanically completed by March 2023.

Over the next five years, IndianOil envisages growth up to 18-20 MMTPA by connecting the north-eastern refineries through Northeast Gas Grid, expansion at Ennore and development of CGD infrastructure at geographical areas, thus striving to capture nearly 40% market share in the RLNG segment.

Strategic advantages

- Robust infrastructure
- Capability to steadily step-up investments and expand its operations
- Long-standing relationships with value chain partners

2,985 MMSCM
Throughput achieved in 2021-22

20
Auto-LNG dispensing stations being set up

1,100+ Km
Gas pipeline network



05 Exploration and Production

IndianOil has been undertaking exploration and production activities both within and outside the country in collaboration with consortium partners to enhance our upstream integration.

Highlights for the year

- Registered 9.8% YoY growth in production, which stood at 4.26 MMtoe
- In our first overseas operatorship asset, Block-1, Abu Dhabi, appraisal well testing established an encouraging hydrocarbon flow of close to 4 thousand barrels per day
- We are holding Participating Interest (PI) ranging from 20% up to 100% in 9 domestic and eleven overseas oil & gas assets in partnership with various domestic and international companies.

Road ahead

We are constantly eyeing for opportunities to further strengthen our market standing in the segment. We plan to expand our upstream footprint to ~10% upstream integration with the production share of 11 MMTPA by 2030.

Strategic advantages

- Strong financials
- Presence across the value chain
- Strong relationships with domestic and international partners

9
Domestic upstream blocks

11
Overseas upstream blocks



Ongoing operations at well no. BR-51 in the Coal Bed Methene (CBM) Block, Jharkhand

06 Marketing

IndianOil addresses the energy needs of millions of people daily through its vast network of fuel stations, bulk storage terminals, inland depots, aviation fuel stations, LPG bottling plants and lube blending plants. For decades, the Company is living up to the commitment of uninterrupted supply of petroleum products to every part of the country.

Highlights for the year

- We maintained our market leadership position with a total 40.8% market share in India.
- To expand our customer base, we launched Fuel@Call — a platform through which customers can get diesel delivered at their doorsteps.
- We have solarised 1,166 outlets, as a part of our endeavour to increase the consumption of green energy in our retail network.
- All segments of LPG including Domestic, NDNE, Bulk and Auto registered positive growth during 2021-22.
- We, along with Total Energies, France, have started the production and distribution of value-added bituminous products from our Institutional Business facilities in Jodhpur, Chennai and Kolkata.
- We commissioned grassroot POL Depot at Guntakal (Andhra Pradesh) and Railhead Depot at Cachar Valley, Moinarbond and Silchar (Assam).
- Mechanical completion achieved in brownfield projects for POL terminal at Ratlam (Madhya Pradesh), Manmad (Maharashtra) and Ahmednagar (Maharashtra) and grassroot projects at Motihari (Bihar) and Asanur (Tamil Nadu).
- Mechanical completion achieved for LPG Import Terminal at Paradip (Odisha), additional tankage at LPG Bottling Plant Bikaner (Rajasthan) and Lucknow (Uttar Pradesh).
- Commissioning of Greenfield Bottling plant at Agartala (Tripura), Korba (Chhattisgarh), Jabalpur (Madhya Pradesh) and Gwalior (Madhya Pradesh) and additional tankage at Raninagar (West Bengal).

Road ahead

With a strong push towards E-vehicle and adoption of cleaner fuels, we are continuously investing towards building EV charging stations across the country. Moreover, to ensure the uninterrupted supply of products, we are focusing on increasing our distribution network as well as expanding our client base. We are also harnessing the power of new and innovative technologies to automate our processes to improve our overall efficiency and reduce cost. In our non-fuel business, the focus will be on expanding the range of products offered to customers to include FMCG and home care products and services also. We are also planning to develop bio-fuel facilities in line with functional requirements.

120 Terminals and depots

34,559 Retail outlets (including KSKs)

126 Aviation fuel station

101 LPG bottling plants/terminals

6,993 Consumer pumps

10 Lube blending plants in India

12,813 LPG distributors

10,723 LPG bottling capacity (TMTPA)

1,488 CNG stations in India

2,179 EV charging stations (including 34 Battery Swapping Stations)



Strategic advantages

- Strong brand value and recall
- Integrated player with presence across the value chain
- Superior customer support and service
- Automated procedure to enhance quality and quantity
- Optimised operations and logistics smart terminals

INTELLECTUAL CAPITAL

As a diversified, integrated energy major, IndianOil's world of high-octane operations is driven by best-of-breed technologies and cutting-edge innovation. The intellectual capital that we have nurtured and developed for years resides at the core of our strategy and operational excellence. Our approach is to leverage our intellectual assets and steadily enhance and enrich our smart energy solutions.

Material issues addressed

- Economic Performance
- Climate Change Mitigation
- Product Stewardship

1,519
Patents filed till March, 2022

₹ 577 crore#
Spent on R&D

448
Total R&D team size

Includes Capital and Revenue expenditure. In addition there is an increase of ₹ 226 crore in Capital advance

SDGs Covered



R&D Centre at Faridabad, Haryana

Our R&D Centre serves as the bedrock of our strategy and future growth prospects. The year under review has been a year of many achievements. The relentless pursuit of innovation, countless hours of lab work and unstinted faith in the power of possibilities have driven our growth.

Despite the challenges posed by the pandemic, we crossed a huge milestone — 225 patents, the highest number of patents filed in a year in IndianOil's history, out of which 155 were granted. As on March 31, 2022, we have a portfolio of 1,519 patents with 1,410 effective patents, double as compared to 2017-18.

Our R&D focus continues to revolve around our core areas of expertise which include fuels and lubricants, refining technologies and catalysts, petrochemical and polymers. We are also diversifying into emerging sectors such as nano technology, solar, bioenergy, hydrogen, fuel cell, and energy storage.

Our aim is to develop cost-effective, environmentally and socially responsible technology solutions. With the Government of India's thrust towards 'Make in India' and 'Aatmanirbhar Bharat', we have been developing technologies and solutions across multiple target segments, especially in competitive and licensor-controlled areas dominated by MNCs.





We are also diversifying into emerging sectors such as nano technology, solar, bio-energy, hydrogen, fuel cell, and energy storage.

Highlights for the year

Successfully commercialised XTRAFLO indigenous Drag Reducing Additives (DRA) technology, resulting in **significant cost savings**. The performance of in-house developed DRA in crude as well as product found at par with commercial products.



Successfully completed performance guarantee test runs for 1.2 MMTPA grassroot **indeDiesel®** unit at Haldia Refinery for BS-VI Diesel and 35 KTA grass-root **INDAdeptG** unit at Guwahati refinery for BS VI gasoline production.



Supported the country's Defence forces by developing and producing Winter grade BS-VI diesel at **Panipat Refinery meeting IS1460-17** and **Army Grade DHPP (Winter Grade)** specifications.



Servo Pride XL Plus 5W-40 is cleared for K9 Vajra high altitude application (Artillery Guns – Engine ATU and Final Drive Units) and **Servosynco E46** got approval by the Ordnance factory, Medak (Telangana) in Ingersoll Rand Make compressor in hull machine shop.

With the endeavour to develop long life, energy efficient lubricants and greases that addresses customers' needs as well as serves as an import substitution, **135 lubricant formulations were issued and approvals from 68 major global OEMs** was obtained.



Developed eco-friendly engine oils such as '**SERVO Greenmile 5W-30'** for passenger cars and **'SERVO Raftaar 15W-40'** for commercial vehicle segment, with distinguished friction and oxidation properties in BS-VI vehicles.

A new genre of **'Mixed Metal Oxide'** isomerisation catalyst developed in collaboration with M/s Viridis Chemicals and planned for demonstration at Bongaigaon Refinery in 2023.

A high temperature oxidation stability test developed to assess oxidation stability of engine oils of API SM, SN and CJ-4 performance levels at elevated operating temperatures.



Developed an in-house 28-inch inline inspection tool (IPIG) based on **Magnetic Flux Leakage (MFL) technology** for our Pipelines Division.

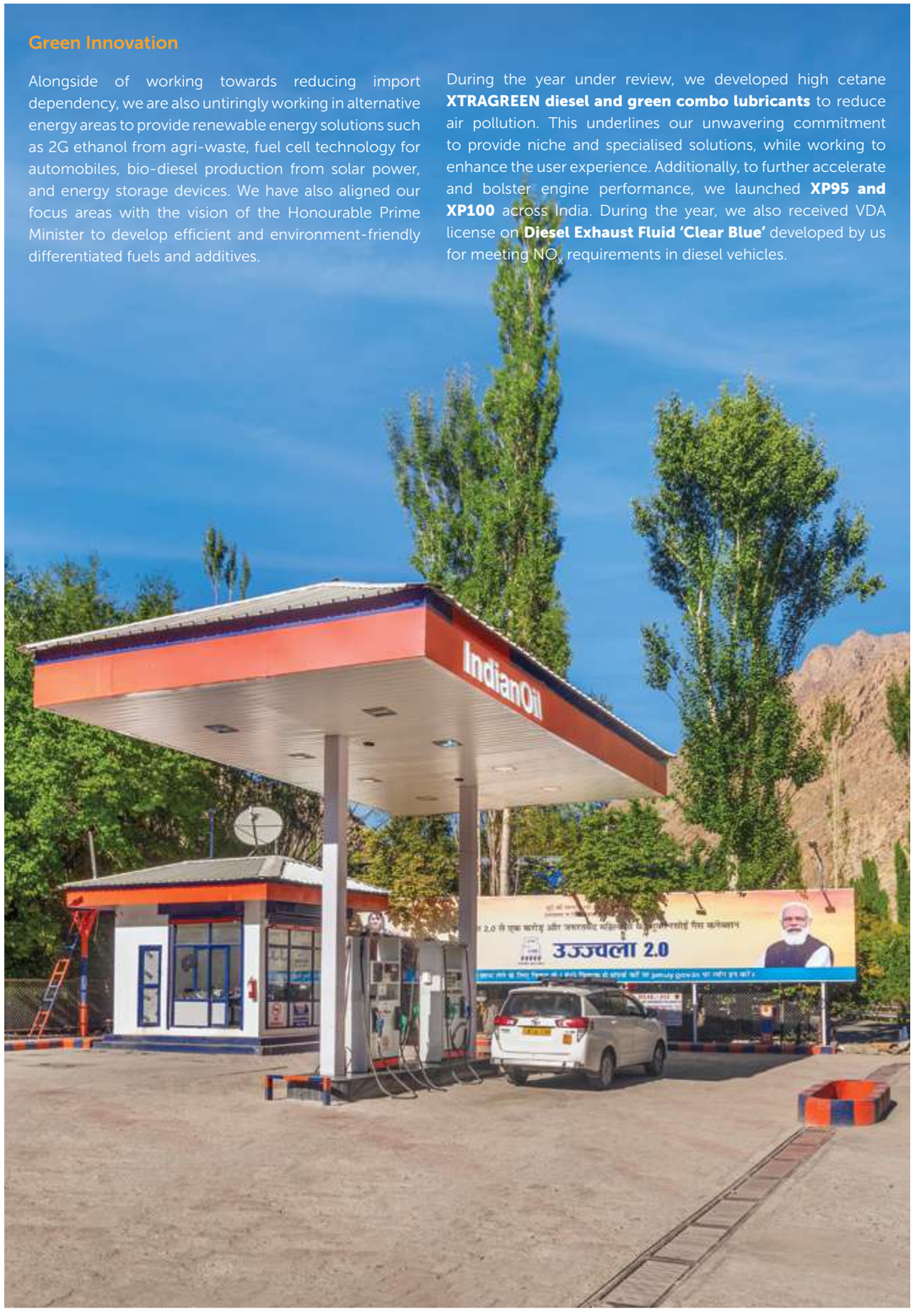


Developed and launched **'IndianOil XTRAGUARD'** - surface disinfectant spray with silver nano particles dispersed in Hydrogel. The patented product is a first-of-its-kind nano-based healthcare product.

Green Innovation

Alongside of working towards reducing import dependency, we are also untiringly working in alternative energy areas to provide renewable energy solutions such as 2G ethanol from agri-waste, fuel cell technology for automobiles, bio-diesel production from solar power, and energy storage devices. We have also aligned our focus areas with the vision of the Honourable Prime Minister to develop efficient and environment-friendly differentiated fuels and additives.

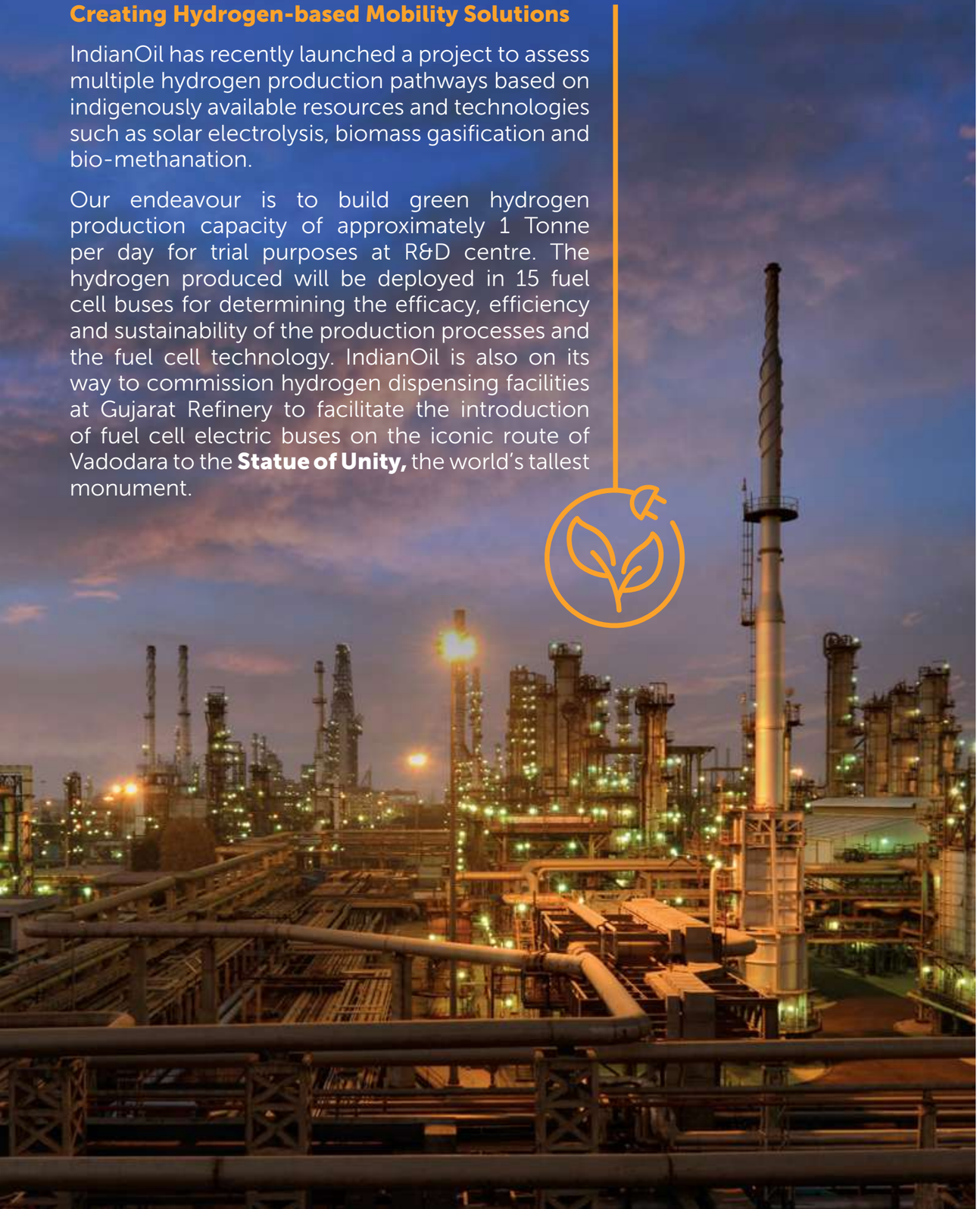
During the year under review, we developed high cetane **XTRAGREEN diesel and green combo lubricants** to reduce air pollution. This underlines our unwavering commitment to provide niche and specialised solutions, while working to enhance the user experience. Additionally, to further accelerate and bolster engine performance, we launched **XP95 and XP100** across India. During the year, we also received VDA license on **Diesel Exhaust Fluid 'Clear Blue'** developed by us for meeting NO_x requirements in diesel vehicles.



Creating Hydrogen-based Mobility Solutions

IndianOil has recently launched a project to assess multiple hydrogen production pathways based on indigenously available resources and technologies such as solar electrolysis, biomass gasification and bio-methanation.

Our endeavour is to build green hydrogen production capacity of approximately 1 Tonne per day for trial purposes at R&D centre. The hydrogen produced will be deployed in 15 fuel cell buses for determining the efficacy, efficiency and sustainability of the production processes and the fuel cell technology. IndianOil is also on its way to commission hydrogen dispensing facilities at Gujarat Refinery to facilitate the introduction of fuel cell electric buses on the iconic route of Vadodara to the **Statue of Unity,** the world's tallest monument.



Digital Transformation

We continue to make steady progress in our digital transformation journey. During the year under review, the launch of our project **ePIC – e-Platform for Customers,** proved to be a game changer. We have built a platform that integrates all the end customers across different lines of business under one roof. This has empowered us to increase the overall efficiency of our processes and maximising the value creation for all stakeholders by automating various processes such as KYC, multi-channel LPG refill booking, payments, invoicing, and loyalty programmes management.

We also provided an interface for rolling out customer-centric welfare schemes of GoI such as PMUY 2.0 and PMGKY. Additionally, we utilised **SAP S/4 HANA (IS-Utilities)** to strengthen our foray into CGD business by onboarding of more than fifty thousand customers during the year.

During the year, we continued to work towards digitising our operations through measures such as implementation of paperless offices, vendor invoice management and document management systems. We have also strengthened our **Enterprise-wide Unified Digital Business Ecosystem** to address the pandemic-induced challenges and ensured seamless supply of products and services to customers across the country. Alongside of deploying new technologies and platforms, we also strengthened our IT security measures to ensure robust data privacy and security.

We have also rolled out an **Integrated Transaction Processing Server (ITPS)** solution at major retail outlets for providing fidelity of actual sales with payment and loyalty. This ensures delivery of e-receipts, platform for providing service rating and earn loyalty points (XTRAREWARDS Points) against the transaction in a seamless manner.

Another landmark project — **End-to-End Project Management Suite (E2EPMS)** — was rolled out during the year. It is a digital dashboard with comprehensive project management and monitoring abilities to track project life cycles of all volume ranges, facilitating easy, on-the-go, and dynamic project progress status and updates to all concerned stakeholders.

50,000+
CGD customers data integrated in our system through SAP S/4 HANA (IS-Utilities)

16,500+
Retail outlets having ITPS solution



Smart Labs for a Digitally Driven India

With rapid advancement in digital technologies, the quality control department of marketing division has taken up the initiative of converting all the labs to smart labs in a phased manner. This upgradation is expected to derive the following benefits:

- Increase the automation and digitisation of laboratory operation with state-of-the-art testing equipment;
- Enhance the overall efficiency of our processes, right from sample collection to test report generation through IT and SAP enabled value-added services on a real- time basis;
- Introduce automatic pop-up of SAP test report numbers and auto-generation of email to the sample initiator;
- Improve internal and external customer satisfaction by quick and accurate testing.

14
Marketing labs upgraded to the status of a smart lab in 2021-22

40
Total smart labs as on March 31, 2022

Road Ahead

With the aim to further expand our footprint and facilitate transformation as an integrated energy major, IndianOil is setting up a second R&D facility in Faridabad — IndianOil Technology Development and Deployment Centre. The facility is going to be the world's largest net-zero (power and water) facility with a GRIHA-5-star rating, LEED platinum standards and consisting of many new research centres of excellence in areas of alternative and renewable energy, corrosion research, nanotechnology and synthetic biology. It is expected to be commissioned in 2023-24.

Going forward, we will also focus on building a complete digital business ecosystem that is convenient, efficient, automated, delivery-centric, agile and fully secured. The ecosystem will encapsulate a full-fledged e-Commerce portal including not-for-retail products and service wherein all line of businesses can be integrated, and all stakeholders can be provided with a unified and seamless experience.

51
ISO/IEC 17025: 2017 accredited marketing QC laboratories



Certifications

The ISO 17025 accreditation is one of the most important standards for **testing and calibration** of laboratories around the world. Additionally, NABL accreditation is mandatory for all laboratories for ensuring accuracy of the test results released by any laboratory. **51 quality control laboratories in marketing division** have been accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL) as per International Standard ISO/IEC 17025: 2017 for 'Testing Discipline' while 3 laboratories are accredited by NABL for 'Calibration Discipline'.

IndianOil

XTRAGREEN
New-age high performance diesel

MAKE THE WORLD A GREENER PLACE,
MILE BY MILE.



Increases fuel economy by 5-6%*

• Lower noise & better combustion

• Reduced emissions#
5.29% CO 4.99% NOx 130 Grams of CO_2 per Litre of Diesel

*Tested by accredited third party laboratory, under ideal test conditions
#Backed by patented chemical technology from IndianOil's R&D

NATURAL CAPITAL

SDGs Covered

7 AFFORDABLE AND CLEAN ENERGY
13 CLIMATE ACTION
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION

As a responsible energy major, IndianOil is cognisant of the impact our operations have on the natural ecosystem. Shouldering our responsibilities with pride, we have chosen to lead by example on environmental stewardship and ensure a positive outcome for our customers, communities and other stakeholders.

Material issues addressed

- Climate Change Mitigation
- Managing Environmental Impacts

~240 MW
Renewable energy

₹ 708.5 crore
Expenditure on alternative energy

7.17%
YoY reduction of total water consumption

3.36
$MMTCO_2$-eq emission
Reduction in emission

0.283
$MMTCO_2$-eq emission
Emission mitigation from renewable power

Our Environmental Performance

We have implemented several business practices that are focused on enhancing our environmental performance such as reduction of GHG emissions, greener fuel, green building, energy efficiency, water conservation and many more. We are also working towards various initiatives such as waste-to-value, which uses waste plastic, used cooking oil, and other materials to generate fuels directly.

Combating Climate Change

We strive to reduce the negative impact on our climate. We have also taken all the required steps to manage and reduce the GHG emissions caused by our operations. In addition, fuel quality upgradation project helps us reduce SO_x emissions to the environment. Sustainable development initiatives such as rainwater harvesting, water, carbon and waste footprint mapping, installation of solar panels, LED light and tree plantations are some of the efforts taken by us to reduce our carbon footprint.

Launch of XTRAGREEN
XTRAGREEN was launched by IndianOil, which reduces emissions and improves fuel economy by 5.78%.

We have taken ambitious targets to realise our vision of being carbon neutral, internalising circular economy on water and waste management and being a benchmark in the energy sector.



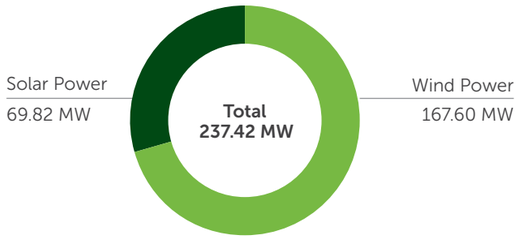
With thrust on Sustainable Growth, IndianOil continues to grow year-on year. An overview of IndianOil Paradip Refinery

Energy Management

Energy management is one of our main focus areas, as it has direct impact on the overall business operations. We are constantly working towards the use of cleaner energy sources such as bioenergy, green hydrogen, plastic to fuel that support our efforts of reducing our carbon footprint. The various governments initiatives and the Production-Linked Incentive (PLI) scheme foster our efforts to move towards clean and sustainable energy sources. Moreover, energy management system (EMS) is implemented to optimise energy consumption.

Renewable Energy mix

Total Installed Capacity (till 31.03.2022)



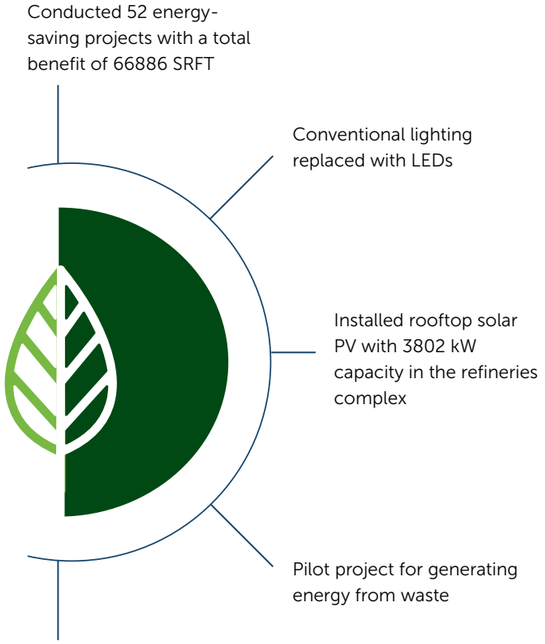
314 Trillion BTU
Total energy consumption

52
Energy conservation schemes implemented

~1 Tonne per day
Green hydrogen production capacity

We are actively **promoting the adoption of green power by our retail network. Our 1,166 outlets implemented solar energy in their operations. As on April 1, 2022,** our outlets have a total installed **capacity of 111.5 MW and an annual energy generating potential of 118 million units** of solar power.

IndianOil took the following initiatives to be energy efficient and transform our organisation into a green campus:



Water Management

Our robust water management strategy focuses on measuring water withdrawals and consumption, as well as taking initiatives to raise water efficiency in our operations. We ensure 'Zero liquid Discharge' from our operations. We also undertake rainwater harvesting at our facilities to ensure the optimal use of water.

We carrried out a water consumption study for all our refineries to understand the water consumption patterns and water-saving potential. Monthly water audits are also conducted to periodically monitor consumption patterns. Moreover, refineries have internal MoUs that include indicators such as specific freshwater consumption, percentage of reuse, and specific discharge that are monitored, and real achievements are examined monthly during performance review meetings with the top management, and annual targets are revised with strict targets.

Waste Management

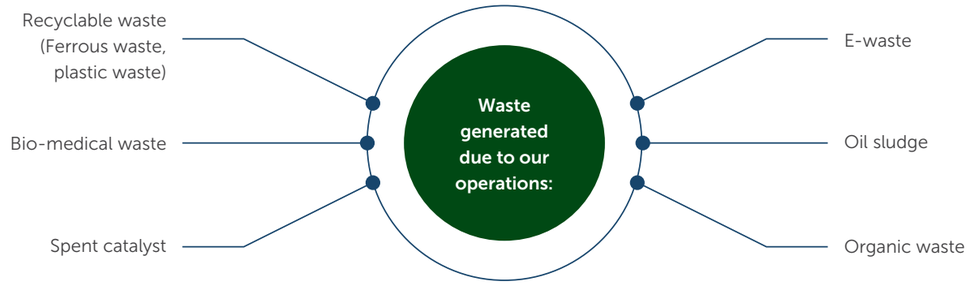
At IndianOil, we ensure that efficient waste management practices are in place. We follow laws and policies implemented by statutory bodies including State Pollution Control Boards (SPCBs). We are responsibly taking all the steps, which involve identifying and diverting waste generated by our operations. We have initiated relevant measures for waste reduction, recycling and efficient waste treatment. IndianOil is working in the realm of waste-to-value, using plastic waste, and used cooking oil to make fuels.

Refineries are the main source of hazardous waste generation including oily sludge and spent catalyst. Oily sludge gets generated during storage tank bottom cleaning and ETP operation. In 2021-22, 1.17 lakh MT sludge disposal was done by processing in Delayed Coker Unit (DCU), Sludge Processing Unit, Confined Bio-remediation and On-site bio-remediation.



Similarly, spent catalyst and adsorbents are generated in substantial quantities in refineries and petrochemicals units. Spent catalyst disposal is done as per nature of catalyst. During the year, about 8,933 MT of spent catalyst was recycled safely disposed through authorised Treatment, Storage, and Disposal Facilities (TSDFs), e-auction to authorised metal recyclers and authorised coprocessors of RFCC spent catalyst. Waste disposable practise by IndianOil is mentioned below:

- E-waste is disposed in IndianOil by way of buy-back against new procurements or through government approved trading agency such as MSTC Limited.
- Bio Medical Waste (BMW) generated is handed over to an outsourced agency approved by SPCB for treatment and disposal.
- Solid waste generated in Refinery Townships and canteens is treated in waste management plants to convert it into biogas or manure.
- Recyclable waste (Ferrous waste, plastic waste, and so on) are segregated and stored in a safe condition in storage yards before disposal. These are sold through auction by MSTC to recyclers.



Conserving Biodiversity

Under the Corporate Environment Responsibility (CER) Scheme, IndianOil undertook first-of-its-kind project — protection of Olive Ridley turtles – in collaboration with the Wildlife Department of Chennai. Olive Ridley turtle eats invertebrates and is considered to play a vital role in both open ocean and coastal ecosystems. Through the initiative, hatchlings of the turtles were released into the sea.



HUMAN CAPITAL

High-octane performance at IndianOil is driven by our intrepid go-getters. We empower our talent pool by creating an enabling work-culture that prepares them for future challenges as well as opportunities. We are now widely acclaimed as an 'Academy Company', because of the diverse growth avenues that we provide to our employees. IndianOil's leadership talent pipeline is regarded as the finest in the business, owing to our people development activities and the performance-driven work culture. We continually keep on re-energising our human resources so that the business, personal and professional excellence are attained at all times.

7,79,229 hours
of training provided

₹116.18 crore
Spent on training and development

₹23.30 crore
Revenue per employee

<1%
Attrition rate

SDGs Covered



Our Talent Vision and Strategy

We are one of the first oil and gas PSUs to develop a talent vision and strategy framework. During the year under review, we developed this framework for the next three years with the underlining theme of 'Future of Work'. Our Vision is to **'Align our People and Talent Capability to Deliver Our Energy Promise to the Nation'.**

We are guided by the 'DARE2' framework, which stands for Demonstrating Dexterity in Decision-Making, Building an Adaptable Workforce, Being Resilient in the Face of Uncertainty, and Motivating People through Continuous Engagement. Empathy is our critical guiding concept and the framework's unique foundation. We continue to undertake an array of initiatives to embed the framework in our culture.

Contributing to the National Cause of Employability as a Socially Responsible Corporate

The Skill Development Institute (SDI), Bhubaneswar was dedicated to the nation by the Chief Minister of Odisha in the august presence of the Union Minister of Education and Skill Development and Entrepreneurship, the Union Minister of Petroleum and Natural Gas and Housing and Urban Affairs, Minister of State for Petroleum and Natural Gas and Labour and Employment; and other dignitaries.

The infrastructure of SDI is designed to have a self-contained campus for more than 1,200 students and 200 faculty and staff members, smart classrooms, and workshops for hands-on skill training focussed on increasing employability of the attendees. Over 200 students have already benefited from SDI Bhubaneshwar which has been operating from a pilot campus till August 2021.



Occupational Health and Safety

Various health and safety initiatives were carried out throughout the year, including competence building and training programmes on occupational health and safety-related themes that covered the whole spectrum of the Company's activities. Following are some major initiatives:

- We accomplished the vaccination of more than **5 lakh beneficiaries**, including employees, ex-employees, channel partners, stakeholders, contract workers, and their families. All the stakeholders have been administered free-of-cost vaccines under **'Mission Vaccination'.** To further make the process seamless, we uploaded the vaccination data of all beneficiaries and have been maintaining a database on the Vaccination Portal of IndianOil Covid-19 dashboard.
- IndianOil actively cares about the mental well-being of its employees and hence we have developed an employee assistance programme, **'Paramarsh'** to aid our workforce in dealing with anxiety, stress, despair, and irritation. A total of 27 **'Emotional Wellness Interactive seminars'** were held, with workers, ex-employees, and their family members actively participating from across all Divisions. A 24x7 toll-free number is available for consultation/ counselling for employees, ex-employees, and their family members.
- We have developed a telemedicine application for tele-consultation during the pandemic. The app has operated with the help of 242 Company and retainer doctors for employees, ex-employees, and their family members. **More than 9,400 consultations** were provided using the telemedicine app during the year when physical consultation was not possible.
- E-learning modules on lessons learnt from past incidents, and various health-related topics have been prepared and uploaded on **'Swadhyaya',** our e-learning platform.
- Facility of medical health check-up plan was extended to dependents and it now encompasses all IOCians and their dependents of the **40+ age group,** allowing employees to adopt a proactive approach towards their health and that of their loved ones.



An Inclusive Work Culture

To expand and improve the skills of our employees and achieve our future objectives, we, at IndianOil, have established robust people processes benchmarked to the best global practises. Our HR policy is aimed at building an inclusive, engaged, open and diverse work culture, wherein employees can grow and thrive in their professional as well as personal lives.

We harness the power of technologies that are pre-configured with checks and routines to enable optimal policy execution. Effective grievance redressal methods are also designed to maintain our team's trust, respect, and confidence.

Upholding human rights, creating employment and being an equal opportunity employer – these tenets are at the core of our policies and practices. Freedom of association, collective bargaining, Prevention of Sexual Harassment at Organisation (POSH), and the Whistle-Blower Policy are among the key HR policies followed by us. Human rights provisions are also considered in our acquisitions, mergers, and investment choices.

IndianOil believes that a diverse, equitable and inclusive workplace fosters more innovation and resilience than a homogeneous one. Thus, to consolidate workforce capacity and enhance productivity, a Diversity, Equity & Inclusion (DE&I) Index has also been established for tracking DEI progress through metrics.

The IndianOil DEI Index (based on the Gartner Inclusion Index 2021 and McKinsey's concept for assessing inclusion) is calculated using 15 items from our current Employee Engagement And Satisfaction Survey (Pratidhwani). Treating all our employees equally and in a fair manner, integrating differences, decision-making, providing psychological safety, instilling trust, belonging, and meaningful work are the seven aspects of the DE&I Index. We have always sought to develop an inclusive work culture that fosters a healthy and equitable workplace as a forward-thinking ethical business.

8.7%
Female employees

Creating a more Gender Sensitive Team

On International Women's Day, we became the first PSU to have a women's hockey team, inducting nine women hockey stars. We also welcomed Satwik Sai Raj Rankireddy, a star doubles badminton player, into our squad.

In recognition of the unique needs of our women employees, the maximum amount of sick leaves that a woman employee can take in a calendar year (without submitting a medical certificate) has been increased from 10 to 24 days, effective January 1, 2022.

For women employees with infants up to two years of age, the travel expenses for the infant along with one attendant are borne by the Company.





Learning and Development

IndianOil's Learning and Development (L&D) vision is to nurture leaders at all levels, who will lead with integrity, conviction, and clarity to fulfil our energy commitment to the country. Our priority lies in being an inclusive organisation, developing leadership competencies, and acquiring and retaining essential skillsets.

Human resource development is emphasised in our policies and practices, encouraging a consultative and collaborative approach to solutions. We have made considerable progress in developing flagship programmes that build leadership abilities at all levels. Employees in various groups have received trainings pertaining to their positions in the organisation.

A few of the key L&D initiatives undertaken by us during the year include:

E-learning Initiative (Swadhyaya)

We continued our efforts to improve workforce competency with recent trends by utilising the Learning Management System. During the year under review, we accelerated our progress by implementing the Swadhyaya – our e-learning initiative. Through this platform, employees completed around 1.5 million courses, highlighting the zeal among our people to learn and grow.

HMM (Harvard Manage Mentor)

IndianOil has partnered with Harvard ManageMentor®, one of the leading online self-paced learning systems for developing and maintaining leadership skills. The evolved methods of thinking, from the Harvard Business School, the Harvard Business Review, and other world-renowned management professional institutions fuels the HMM modules. The HMM access has been given to willing executives, who would benefit from timely and appropriate 'right-sized learning' depending on their needs.

7,79,229 hours
Of training and development provided to employees

Paridrishya Programme

We, at IndianOil, have a profound awareness of the recent developments in the Global Energy Trends. We have implemented a flagship programme (Paridrishya), which aims to creating awareness about the global energy scenario.

Committed to Serve the Nation by Sharing Critical Knowledge

In order to utilise our expertise in capability enhancement for the larger cause of serving the nation through sharing of critical knowledge, IndianOil collaborated with the Ministry of External Affairs and the Ministry of Defence through Indian Technical & Economic Cooperation (ITEC) and National Academy of Defence Production (NADP) respectively.

We are organising state-of-the-art training to foreign delegates at our locations and units and providing them first hand knowledge on downstream oil business nitty gritties like refining, marketing and so on. We have tied up with the Ministry of Defence to train defence officials and providing them with practitioner led strategic leadership inputs which are essential part for newly formed defence PSUs.



Engaging and Enabling Work Environment

At IndianOil, we continue to invest towards organising various employee engagement initiatives as well as conducting employee satisfaction surveys to create an inclusive culture. An ecosystem which supports our employees to achieve their full potential, while listening to and addressing the feedback received from them.

During the year, few of our employee engagement initiatives include:

Abhigyan (Integrated Corporate Mentoring Framework)

At IndianOil, we have democratised the learning process by providing various learning opportunities to our workers. While mentoring newly hired employees is common in most companies, IndianOil has taken it a step further and created a comprehensive mentoring framework that allows all employees, regardless of grade, age, or location, to help each other grow through collaboration, common goal achievements and psycho-social support. Abhigyan will enable co-worker interactions, on-the-job learning opportunities, help exchange best practises throughout the company, and encourage them to connect regardless of their location.

Srijan (HR Re-engineering and Innovation Cell)

Srijan has been formed, with members drawn from all divisions of the Company, in recognition of the crucial role of innovation today. The cell investigates all facets of HR's developmental activities. Through technological interventions, simplicity, re-engineering, optimisation, developing stronger employee connections, and focusing on organisational growth, Srijan regularly analyses the internal and external world for new and enhanced HR services.

HR Vista : A Legacy of Wisdom



As one of the largest commercial enterprises of the country, IndianOil has been contributing positively to the Indian HR landscape for several decades by keeping in sync with the contemporary, dynamic, and futuristic HR trends. Over the years, it was felt that documenting the nature of these HR trends is critical for sustaining focus on excellence and moving towards brighter workplaces of tomorrow. In line with these objectives, we launched an HR e-Magazine – HR Vista on the 62nd IndianOil day. The magazine aspires to reach out to fellow corporates and academia and share a complete perspective of HR practices across the globe. HR Vista has been co-created with thought leaders, academicians and industry members. Covering the entire gamut of HR processes, it attempts to bridge the gap between the two worlds of industry and academia and help disseminate knowledge amongst all stakeholders.





SOCIAL AND RELATIONSHIP CAPITAL

IndianOil engages and connects with millions of customers and stakeholders every day, and their insights help us improve our operations and maintain our high-octane performance. We energise their lives with our innovative energy solutions, and together we build sustainable value for the nation.

SDGs Covered

Material issues addressed

- Economic Performance
- Customer Satisfaction and Brand Loyalty
- Community Development

75.62 lakh+
LPG customers enrolled

₹ 2,64,436 crore
Contribution to exchequer

100%
Packaging materials of lubes is sourced from local vendors

30
Vendor engagement programmes conducted by contract cell

48%
Dividend payout ratio

Customers

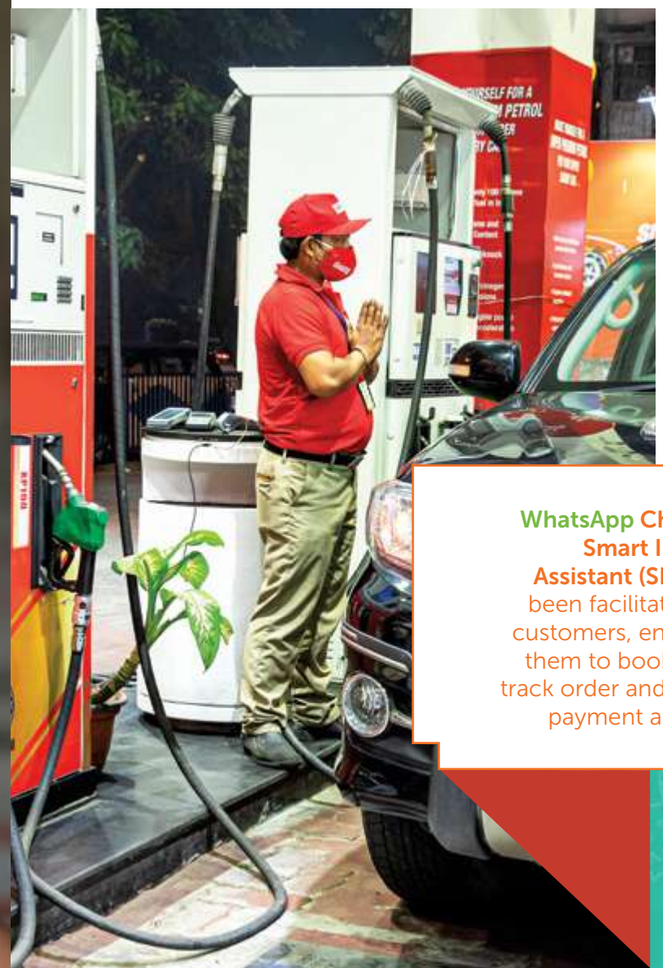
At IndianOil, we cater to diverse requirements of our customers. We strive to resolve their concerns/grievances and engage with them through in-person interactions, via mobile app, chatbot and feedback mechanism. These initiatives enable us to elevate customer experience.

Our digital platform ePIC maintains a constant connect with customers through **IndianOil ONE mobile app** and our customer portal which provides access to the entire energy product basket of IndianOil. This platform also helps us host various customer relationship management (CRM) facilities such as Grievance Redressal Campaign, Loyalty management, Sales Force Automation, and Lead Opportunities Key Accounts management (LOKAM).

Additionally, we have launched the secondary dealer management system (SDMS), which is a secure, scalable and robust platform, providing omni-channel capabilities, Next-Gen integrated CRM, predictive capabilities for improved business forecasting and decision-making. It is capable to deliver high-quality responses to customers across multiple channels, reduce resolution time and provide more accurate information, service customers about their account and history and enable knowledge transfer to take customer service to the next level.

Moreover, our engagement methods such as **'Customer Opinions'** showcase the testimonials and photos at IndianOil retail outlets, capturing customer Quality and Quantity (Q&Q). Q&Q helps us strengthen our customer experience. Our relationships with customers enable us to improve our operations and service delivery that helps in overall business growth.

99.32%
Customers' complaints resolved at retail outlets during the year



'Pure Aur Poora Dono Hee' campaign

Through this campaign IndianOil reinforces customers' confidence, which helps build its brand reputation. We leverage various social media platforms such as **Facebook, YouTube, LinkedIn, direct SMS to widen our reach and recall.**

WhatsApp Chatbot Smart Indane Assistant (SIA) has been facilitated for customers, enabling them to book refill, track order and make payment at ease.

WhatsApp

Suppliers and Business Partners

Our suppliers and business partners are an integral part of our business. They play a key role in providing services to our customers. For a sustainable and long-term relationship with our suppliers, we have evolved a culture that is transparent, professional and outcome-oriented.

We align our operations and vision with the Government of India's 'Aatmanirbhar Bharat,' mission. We buy from local merchants and suppliers to help empower our country's economy, and create livelihood opportunities. We believe in engaging regularly with our business partners to understand their perspectives and improve our performance. We maintain close coordination with our supplier and business partners across the value chain to ensure uninterrupted supplies to customers.

We also launched Traders' and Schedulers' Workbench (TSW), SAP module having provision of mapping contractual terms and obligation of gas sale, purchase and transmission. This module helps us in end-to-end tracing of gas molecule as well as in inventory management. Our E-site also helps us strengthen the organisation by providing the omni-channel customer connect, common interface, robust grievance management system and centralised data repository.

58,000+
Touch points of Marketing



Investors and Shareholders

We are proactive in understanding and resolving the concerns of investors. We also empower our investors through effective financial resource management and proper capital allocation. The trust of our investors plays a critical role in sharpening our abilities to deliver good results.

We remain in constant touch with our investors to understand their aspirations and concerns through earnings call, press releases, meetings and conferences. Additionally, we have investor grievance mechanism to address the issues raised by our investors. Our ability to successfully engage with the investing community and our strong and transparent governance framework make our long-term relationship with our investors fruitful.

13.68 lakh
Shareholders as on March 31, 2022

48%
Dividend pay-out ratio

7,403
Grievances lodged and resolved

₹ 11,568 crore
Dividend for 2021-22

₹ 1,11,981 crore
Market capitalisation as on March 31, 2022

Government and Industrial Bodies

At IndianOil we regularly interact with multiple government bodies within our area of operation to maintain an open relationship with them. Working closely, whenever needed, we proactively participate in discussions with the government and associated regulatory bodies to bring forward issues that need discussion. We partner with them to strengthen the country's energy security, develop and propagate clean energy. Through our operations, we contribute and promote various government initiatives, such as **'Aatmanirbhar Bharat', 'Swachh Bharat Abhiyan' and the Pradhan Mantri Ujjwala Yojana (PMUY).** Aligned to the government's ambitious target of building clean energy, we are regularly introducing products and improvising processes that contribute to the government's goals.

₹ 2,64,436 crore
Contribution to exchequer in 2021-22

₹ 1,57,181 crore
Central exchequer

₹ 1,07,255 crore
States exchequer

Community

We, at IndianOil, not only believe in boosting the nation economically but also understand our responsibility towards developing the community socially. Our CSR initiatives are aimed at addressing the requirements and uplifting the communities as a whole. Through our collaboration with various government organisation and NGOs, we try to reach the length and breadth of the country.

Intervention areas

- Health and nutrition
- Women empowerment
- Environment sustainability
- Animal welfare
- Rural development
- Skill development
- Art and culture
- Education

Key outcomes achieved

493
CSR projects undertaken

35
Aspirational districts covered

120
Girl students benefitted through Vidushi initiative

284
Youth skilled through our Skill Development Institute

2.72 lakh
Patients treated through Aarogyam initiative

600+
Students graduated from Assam Oil School of Nursing, Digboi since 2014

6,000+
Non-employee patients treated at Assam Oil Division Hospital, Digboi (Assam)

166
Sportspersons sponsored

2
Hospitals with bed capacity 350 beds and 180 beds being set-up to provide affordable cancer care treatment at the doorstep of the people of Purvanchal and adjoining areas

82
Participants of our integrated pottery development initiative

For more details, please refer to the CSR report on **page 106**

IndianOil supported Covid hospital at Odisha



Rashtriya Khel Protsahan Puraskar for the year 2021 was conferred to Indian Oil Corporation Ltd. for encouraging sports through Corporate Social Responsibility

Awards and Recognitions

Mr S M Vaidya, Chairman, IndianOil conferred **CMD Leadership Award** at the Governance Now 8th PSU Awards

IndianOil bagged the prestigious **Asian Oil and Gas Award** for Covid Management and New Product of the Year

IndianOil won the **Best PSU for the Promotion of Sports Award** at Sportstar Aces 2022

IndianOil received the **Asia Corporate Excellence & Sustainability (ACES) Award** 2021

IndianOil was adjudged the **Best PSU 2021** by Dun and Bradstreet

IndianOil won the **Global Healthy Workplace Award-2021** under large employer category. This award was instituted by Global Centre for Healthy Workplaces (GCHW) based on 'WHO Healthy Workplace Model'

Federation of Indian Petroleum Industry bestowed IndianOil with the following awards:

- **Digitally Advanced Company of the Year** award for the 2nd consecutive year
- **Refinery of the Year**, less than 9 MMTPA – Mathura Refinery; more than 9 MMTPA capacity – Panipat Refinery
- **Woman Executive of the Year** in Oil and Gas industry - Ms Archna Bhardwaj, ED (Shipping), IndianOil
- **Innovative Team of the Year** - IndianOil Team lead by Dr SSV Ramakumar, Director R&D, IndianOil
- **Initiatives in Clean Energy Company of the year**

IndianOil bagged the 7th **CII Industrial Intellectual Property Award** 2021

Mathura Refinery recognised as **Excellent Energy Efficient Unit** for its Energy performance during the year 2020-21 by the Confederation of Indian Industry (CII). Mathura Refinery won this award in 2019-20 also

IndianOil Panipat Naphtha Cracker won the **Best Energy Efficient case study'** conducted by CHT

Paradip Refinery was adjudged Winner in Gold Category for the prestigious **Kalinga Safety Excellence Award-2020** in the National Safety Conclave, Bhubaneswar

A V Ogale Award for demonstrating highest standards in Safety & Fire prevention was awarded to Barauni Refinery. Guwahati & Panipat Naphtha Cracker won the 1st & 2nd runners up trophy

IndianOil was adjudged winner for its diligently crafted cleanliness initiatives and activities during the **Swachhta Pakhwada** held from July 1-15, 2021

IndianOil bagged **19th FICCI CSR Award** for 'Madhur Muskaan' initiative

IndianOil team emerged champions at the **International Project Management Olympiad** and **Team Excellence Award** competition in November 2021 organised by the Centre for Excellence in Project Management in collaboration with i2P2M

IndianOil Jamshedpur Bottling Plant conferred with the **National Safety Award** for outstanding performance in Industrial Safety

National Safety Council Award - 2021 won by IndianOil:

- **Sarvashreshtha Suraksha Puraskar** Jury's Special Award for continual improvement in SHE performance during last three award years – Guwahati Refinery
- **Shreshtha Suraksha Puraskar –**
  - Digboi Refinery, Assam
  - Paradip Haldia Barauni Pipeline, Haldia
- **Prashansha Patra –**
  - Western Region Pipelines, Jaipur, Rajasthan
  - Patna Terminal
  - Indane Bottling Plant, Hoskote, Bangalore
  - Patna Bottling Plant, Gidha, Bihar
  - Mathura Marketing Terminal, UP
- **Certificate of Appreciation** for 78 locations



IndianOil was adjudged the winner in **Excellence in Learning & Development; Excellence in Developing Leaders of Tomorrow** categories at the SHRM HR Excellence Awards 2021, and Special Mention for **Excellence in Community Impact**

IndianOil was in the list of top 20 winners globally in the 2022 **BEST Awards** by the Association for Talent Development (ATD) for demonstrating employee talent development

The ePIC project won Govt of India's **24th National Awards for e-Governance** under "Excellence in Adopting Emerging Technologies

IndianOil won the **ISTD 31st National special commendation award** under Services category for innovative training practices

SERVO bagged the **cost excellence award** for year 2020-21 from Tata Motors for Grease Servosynthplex 2, which has a projected annual savings of ₹ 40 Crores to Tata Motors

IndianOil-SERVO was adjudged the **Most Innovative Partner** of the Tata Group, edging out over 600 other partners in the Tata InnoVista contest - 2021, for the development of the SERVO Synthplex 2 – Innovative Synthetic Hub grease

Odisha State Office, Bihar State Office, IOAOD State Office were awarded **Rajbhasha Puraskar** by Town Official Language Implementation Committee (TOLIC) for excellent Hindi implementation

IndianOil won **ISGF Innovation Awards** 2022 under Smart Technology (Gas Distribution) for CGD digital business system

IndianOil won **SAP ACE 2021 Award** in the Community Catalyst category for implementation of DMS in SAP

IndianOil won **SUSE India Innovation Hero Award** 2021 for the Vertical – Oil & Gas





Corporate Information

Board of Directors

Whole-time Directors

1. **Shri Shrikant Madhav Vaidya,** Chairman
2. **Dr S. S. V. Ramakumar,** Director (Research & Development)
3. **Shri Ranjan Kumar Mohapatra,** Director (Human Resources)
4. **Shri Sandeep Kumar Gupta,** Director (Finance)
5. **Shri V. Satish Kumar,** Director (Marketing) w.e.f. 28.10.2021
6. **Shri D. S. Nanaware,** Director (Pipelines) w.e.f. 28.12.2021
7. **Ms Sukla Mistry,** Director (Refineries) w.e.f. 07.02.2022
8. **Shri Sujoy Choudhury,** Director (Planning & Business Development) w.e.f. 23.02.2022
9. **Shri G. K. Satish,** Director (Planning & Business Development) upto 31.08.2021

Government Nominee Directors

10. **Dr Navneet Mohan Kothari**
11. **Ms Indrani Kaushal,** upto 24.09.2021

Independent Directors

12. **Ms Lata Usendi**
13. **Shri Dilip Gogoi Lalung,** w.e.f. 24.11.2021
14. **Dr Ashutosh Pant,** w.e.f. 24.11.2021
15. **Dr Dattatreya Rao Sirpurker,** w.e.f. 24.11.2021
16. **Shri Prasenjit Biswas,** w.e.f. 24.11.2021
17. **Shri Sudipta Kumar Ray,** w.e.f. 24.11.2021
18. **Shri Krishnan Sadagopan,** w.e.f. 24.11.2021
19. **Dr (Prof) Ram Naresh Singh,** w.e.f. 08.04.2022
20. **Shri Rajendra Arlekar,** upto 10.07.2021

Company Secretary

Shri Kamal Kumar Gwalani

Core Team



Seated

Shri Shrikant Madhav Vaidya,
Chairman

Standing (from left to right)

Dr S. S. V. Ramakumar,
Director (Research & Development)

Shri Sandeep Kumar Gupta,
Director (Finance)

Shri Ranjan Kumar Mohapatra,
Director (Human Resources)

Shri D. S. Nanaware,
Director (Pipelines)

Shri V. Satish Kumar,
Director (Marketing)

Shri Sujoy Choudhury,
Director (Planning & Business Development)

Ms Sukla Mistry,
Director (Refineries)

List of Senior Executives

Anant Kumar Singh
Chief Vigilance Officer

Rahul Bhardwaj
Executive Director I/C (Quality Control), Marketing

U. P. Singh
Executive Director I/C (Human Resources), Marketing

Subimal Mondal
Executive Director (Lubes), Marketing

D. L. Pramodh
Executive Director & State Head (Karnataka State Office), Marketing

Partha Ghosh
Executive Director & Refinery Head (Haldia Refinery)

Ms Archna Bhardwaj
Executive Director (Shipping), Refineries

Manish Sinha
Executive Director (Explosives), Business Development

Dr G. S. Kapur
Executive Director I/C (Chemical Technology and Technology Promotion & Forecasting), R & D

Vibhash Kumar
Executive Director & State Head (Bihar State Office), Marketing

Arup Sinha
Executive Director (Regional Services - Northern Region), Marketing

Sanjaya Bhatnagar
Executive Director & Refinery Head (Gujarat Refinery)

Amitabh Akhauri
Executive Director (Retail Sales - South & West), Marketing

Sanjay Sahay
Executive Director (Aviation), Marketing

P. Jayadevan
Executive Director (LPG), Marketing

Vigyan Kumar
Executive Director (Retail Sales - North & East), Marketing

Hridesh Baindail
Executive Director (Exploration & Production), Business Development

Shyam Bohra
Executive Director & State Head (Delhi State Office), Marketing

Sanjeev Gupta
Executive Director (Corporate Strategy), Corporate Office

R. S. S. Rao
Executive Director & State Head (Telangana & Andhra Pradesh State Office), Marketing

Sunil Garg
Executive Director & State Head (Rajasthan State Office), Marketing

T. Sathish Kumar
Executive Director (Planning & Economic Studies), Marketing

S. Sekar
Executive Director (Materials & Contracts), Refineries

Sanjiv Kumar Surchowdhury
Executive Director (Projects), Pipelines

K. K. Sharma
Executive Director (Sustainable Development), Marketing

Liton Nandy
Executive Director (Information Systems), Corporate Business Technology Centre

Dr Uttiya Bhattacharyya
Executive Director (Corporate Communications), Corporate Office

Sanjay Kumar V.
Executive Director (South Eastern Region Pipelines), SERPL, Bhubaneswar Region HQ

D. S. Sehgal
Executive Director (Process-Projects), Refineries

P. S. Mony
Executive Director (Institutional Business), Marketing

Sanjay Kaushal
Executive Director (Corporate Affairs & Taxation), Corporate Office

Debasis Bhattacharyya
Executive Director (Technology Implementation Cell), R & D

Vinod Kumar
Executive Director (International Trade), Corporate Office

Sandeep Jain
Executive Director (Business Development)

Raj Kumar Dubey
Executive Director & State Head (Uttar Pradesh State Office-II), Marketing

Rajesh Kumar Sayal
Executive Director I/C (Supplies), Marketing

V. S. Jain
Executive Director & Refinery Head (Paradip Refinery)

Sandeep Makker
Executive Director (Retail Transformation), Marketing

Atish Chandra Ghosh
Executive Director I/C (Regional Services - Eastern Region), Marketing

Chinmoy Ghosh
Executive Director (Western Region Pipelines)

Shridhar Bhagwat
Executive Director (Employee Relations & CSR), Corporate Office

S. S. Sawant
Executive Director (Operations), Pipelines

D. Srivastava
Executive Director (Marketing Strategy), Marketing

S. S. Pandita
Executive Director (Health, Safety & Environment), Pipelines

Rajesh Gupta
Executive Director (Construction), Pipelines

G. S. P. Singh
Executive Director (Cryogenics), Business Development

Ms Urvija Bajpai
Executive Director (IndianOil Institute of Petroleum Management)

Ameet Gohain
Executive Director (Finance), R & D

Kailash Pati
Executive Director I/C (Human Resources), Refineries

G Ramesh
Executive Director & State Head (AOD State Office), Marketing

Anirban Ghosh
Executive Director & State Head (Maharashtra State Office), Marketing

Dr Madhusudan Sau
Executive Director (Refining Technology), R&D

Sanjay Kumar Jha
Executive Director (City Gas Distribution), Pipelines

T. C. Shankar
Executive Director (Finance), Pipelines

S. P. Singh
Executive Director & Refinery Head (Guwahati Refinery)

Anil Sarin
Executive Director (Security), Corporate Office

D. N. Badarinarayan
Executive Director (Engineering & Projects), Marketing

M. Annadurai
Executive Director & State Head (Gujarat State Office), Marketing

K. Sailendra
Executive Director (Regional Services - Southern Region), Marketing

Manas Bora
Executive Director (Human Resources), Refineries

T. Chatterjee
Executive Director (Finance), Eastern Region Office

Jawahar Lal
Executive Director (Materials & Contracts), Pipelines

Sanjiv Kakkar
Executive Director & State Head (Uttar Pradesh State Office-I), Marketing

Manish Taskar
Executive Director (Pricing), Marketing

Ranjan Mehrotra
Executive Director (Health, Safety & Environment), Corporate Office

Rajendra Kumar Jha
Executive Director & Refinery Head (Barauni Refinery)

J. S. Oberoi
Executive Director (Co-ordination), Corporate Office

Saikat Sikdar
Executive Director (Projects), Paradip Refinery

Vineet Singhal
Executive Director (Vigilance), Corporate Office

Atul Gupta
Executive Director (Optimization), Corporate Office

Jagdish Gupta
Executive Director (Finance), Marketing

Sanjay Malik
Executive Director (Pricing), Corporate Office

Parmanand Goyal
Executive Director (Finance), Refineries

Sanjeev Kumar Kanojia
Executive Director (Eastern Region Pipelines)

Shailendra Shukla
Executive Director (Quality Control), Marketing

M. K. Sharma
Executive Director (Finance), Business Development

Dr C. Kannan
Executive Director (Chemical Technology and Technology Promotion & Forecasting), R & D

Manish Grover
Executive Director (Strategic IS & IS), Refineries

Santanu Gupta
Executive Director (Alternative Energy & Sustainable Development), Business Development

Dipak Kumar Basu
Executive Director & State Head (Madhya Pradesh State Office), Marketing

L. K. S. Chauhan
Executive Director (Retail Sales), West Bengal State Office, Marketing

Alok Kumar Panda
Executive Director (Retail Sales), Rajasthan State Office, Marketing

B. Anil Kumar
Executive Director (Retail Sales), Telangana & Andhra Pradesh State Office, Marketing

Senthil Kumar N.
Executive Director (Northern Region Pipelines)

Dr M. R. Das
Executive Director (Human Resources), Marketing

K. S. Rao
Executive Director (Operations), Marketing

S. K. Bajpai
Executive Director (Health, Safety & Environment), Marketing

Gur Prasad
Executive Director (Retail Sales), Karnataka State Office, Marketing

Rajiv Kacker
Executive Director (Projects), Refineries

Ms Padma D.
Executive Director (Corporate Planning & Economic Studies), Business Development

Sanjay Parashar
Executive Director (Supplies), Marketing

Subhajit Sarkar
Executive Director (Operations), Refineries

M. L. Dahriya
Executive Director (Technical), Panipat Refinery

V. C. Asokan
Executive Director & State Head (Tamil Nadu State Office), Marketing

Dr Tapas Kumar Pattanayak
Executive Director (Human Resources), Pipelines

Jitendra Kumar
Executive Director & State Head (Punjab State Office), Marketing

Manish Patil
Executive Director (Human Resources), Corporate Office

Shailesh Tiwari
Executive Director (Southern Region Pipelines)

Ms Rashmi Govil
Executive Director (Human Resource Development), Corporate Office

A S Sahney
Executive Director (Petrochemicals), Business Development

Debajit Gogoi
Executive Director (Technical), Mathura Refinery

MAIN OFFICES & MAJOR UNITS

Registered Office

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

Corporate Office

3079/3, Sadiq Nagar,
J.B. Tito Marg,
New Delhi - 110 049

Refineries Division

Head Office
SCOPE Complex, Core-2,
7, Institutional Area, Lodhi Road,
New Delhi - 110 003

Barauni Refinery
P. O. Barauni Refinery,
Dist. Begusarai - 861 114 Bihar

Digboi Refinery
AOD, P. O. Digboi - 786 171 Assam

Gujarat Refinery
P. O. Jawahar Nagar,
Dist. Vadodara - 391 320 Gujarat

Guwahati Refinery
P. O. Noonmati,
Guwahati - 781 020 Assam

Haldia Refinery
P. O. Haldia Refinery,
Dist. Midnapur - 721 606 West Bengal

Mathura Refinery
P. O. Mathura Refinery,
Mathura - 281 005 Uttar Pradesh

Panipat Refinery
P. O. Panipat Refinery,
Panipat - 132 140 Haryana

Bongaigaon Refinery
P. O. Dhaligaon - 783 385
Dist. Chirang Assam

Paradip Refinery
P.O. Jhimani, via Kujang,
Dist. Jagatsinghpur – 754 141
Odisha

Pipelines Division

Head Office
A-1, Udyog Marg, Sector-1,
NOIDA - 201 301 Uttar Pradesh

Northern Region
P. O. Panipat Refinery,
Panipat - 132 140 Haryana

Eastern Region
14, Lee Road,
Kolkata - 700 020 West Bengal

Western Region
P. O. Box 1007,
Bedipara, Morvi Road, Gauridad,
Rajkot - 360 003 Gujarat

Southern Region
6/13, Wheatcrafts Road,
Nungambakkam,
Chennai - 600 034 Tamil Nadu

South Eastern Region
3rd Floor, Alok Bharti Tower,
Saheed Nagar,
Bhubaneshwar - 751 007 Odisha

R&D Centre:
Sector 13,
Faridabad - 121 007 Haryana

Marketing Division

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

Northern Region
IndianOil Bhavan,
1, Sri Aurobindo Marg,
Yusuf Sarai, New Delhi - 110 016

Eastern Region
IndianOil Bhavan,
2, Gariahat Road (South), Dhakuria,
Kolkata - 700 068 West Bengal

Western Region
IndianOil Bhavan
Plot No. C-33, 'G' Block
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051 Maharashtra

Southern Region
IndianOil Bhavan,
139, Nungambakkam High Road,
Chennai - 600 034 Tamil Nadu

Business Group Cryogenics
A-4, MIDC Ambad
Nashik- 422010 Maharashtra

Business Development Group
IndianOil Bhavan,
1, Sri Aurobindo Marg,
Yusuf Sarai,
New Delhi - 110 016

Business Group Explosives
IBP House,
34A, Nirmal Chandra Street
Kolkata - 700013 West Bengal

REGISTRAR & TRANSFER AGENT, STOCK EXCHANGES, BANKERS & DEBENTURE TRUSTEE

REGISTRAR & TRANSFER AGENT

KFin Technologies Ltd.
Selenium Tower B, Plot 31-32,
Gachibowli Financial District,
Nanakramguda,
Hyderabad – 500 032
Toll Free No. : 1800 309 4001
E-mail Address : einward.ris@kfintech.com
Website : www.kfintech.com

STOCK EXCHANGES

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

National Stock Exchange of India Ltd.
Exchange Plaza,
5th Floor, Plot C/1, 'G' Block,
Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051

BANKERS

State Bank of India
HDFC Bank Ltd.

DEBENTURE TRUSTEE

SBICAP Trustee Company Ltd.

Mistry Bhavan , 4th Floor,
122, Dinshaw Wachha Road,
Churchgate, Mumbai - 400 020
Website: www.sbicaptrustee.com

AUDITORS FOR THE YEAR 2021-22

STATUTORY AUDITORS

1. G. S. Mathur & Co., New Delhi
2. K. C. Mehta & Co., Mumbai
3. Singhi & Co., Kolkata
4. S R B & Associates, Kolkata

BRANCH AUDITOR

O. Aggarwal & Co., New Delhi

COST AUDITORS

1. Narasimha Murthy & Co., Hyderabad
2. K. G. Goyal & Associates, New Delhi
3. DGM & Associates, Kolkata
4. G. R. Kulkarni & Associates, Mumbai
5. P. Raju Iyer, M. Pandurangan & Associates, Chennai

Narasimha Murthy & Co., Hyderabad is the Central Cost Auditor.

SECRETARIAL AUDITOR

Mehta & Mehta, Company Secretaries, Mumbai

GROUP COMPANIES

SUBSIDIARIES

Name	Business
Indian Subsidiaries	
Chennai Petroleum Corporation Ltd.	Refining of petroleum products
Foreign Subsidiaries	
IndianOil (Mauritius) Ltd., Mauritius	Terminalling, Retailing, Aviation refueling & Bunkering
Lanka IOC PLC, Sri Lanka	Retailing, Terminalling & Bunkering
IOC Middle East FZE, UAE	Lube Blending & Marketing of Lubricants & Base Oil
IOC Sweden AB, Sweden	Investment company for E&P Project in Venezuela and Battery Technology Company in Israel
IOCL (USA) Inc., USA	Participation in Shale Gas Asset Project
IndOil Global B.V., Netherlands	Investment company for E&P Assets in Canada and UAE
IOCL Singapore Pte Ltd.	Trading operation for procurement of Crude Oil, Import / Export of petroleum products and Investment Company for E&P Assets & Alternative Energy Technology Company

JOINT VENTURES

Name	Business	Partners
Avi-Oil India Pvt. Ltd.	Manufacturing of Speciality lubricants	Neden BV, Netherlands Balmer Lawrie & Co. Ltd.
Delhi Aviation Fuel Facility Pvt. Ltd.	Setting up and operation of Aviation Fuel Facility at Delhi Airport.	Delhi International Airport Ltd. Bharat Petroleum Corporation Ltd.
Green Gas Ltd.	City Gas Distribution	GAIL (India) Ltd.
GSPL India Transco Ltd.	Setting up of Natural Gas Pipelines	Gujarat State Petronet Ltd. Hindustan Petroleum Corporation Ltd. Bharat Petroleum Corporation Ltd.
GSPL India Gasnet Ltd.	Setting up of Natural Gas Pipelines	Gujarat State Petronet Ltd. Hindustan Petroleum Corporation Ltd. Bharat Petroleum Corporation Ltd.
Hindustan Urvarak and Rasayan Ltd.	Setting up and operating fertilizer plants at Sindri, Gorakhpur and Barauni	Coal India Ltd. NTPC Ltd. Fertilizer Corporation of India Ltd. Hindustan Fertilizer Corporation Ltd.
IHB Ltd.	Laying, buidling, operating or expanding LPG Pipeline from Kandla (Gujarat) to Gorakhpur (UP)	Bharat Petroleum Corporation Ltd. Hindustan Petroleum Corporation Ltd.
Indian Oiltanking Ltd.	Terminalling EPC services and production of Compressed Bio-Gas (CBG)	Oiltanking India GmbH, Germany
IndianOil Adani Gas Pvt. Ltd.	City Gas Distribution	Adani Total Gas Ltd.
IndianOil Petronas Pvt. Ltd.	Terminalling services and parallel marketing of LPG	Petronas, Malaysia.
IndianOil LNG Pvt. Ltd.	LNG Terminal at Ennore	Maximus Investment Advisory Pvt. Ltd. ICICI Bank Ltd. Tamil Nadu Industrial Development Corporation Ltd.
IndianOil Skytanking Pvt. Ltd.	Aviation fuel facility projects and Into Plane services	Skytanking GmbH, Germany
Indian Synthetic Rubber Pvt. Ltd.	Manufacturing of Styrene Butadiene Rubber at Panipat	Trimurti Holding Corporation, B.V.I.
Indradhanush Gas Grid Ltd.	Setting up Natural Gas Pipeline in North East India	Oil and Natural Gas Corporation Ltd. GAIL (India) Ltd. Oil India Ltd. Numaligarh Refinery Ltd.
IndianOil Total Pvt. Ltd.	Undertaking bitumen business, LPG business as conducted at LPG facilities	Total Marketing and Services S.A., France
IOC Phinergy Pvt. Ltd.	Commercialization of the Al-Air battery technology in India	Phinergy, Israel
Kochi Salem Pipelines Pvt. Ltd.	Laying pipeline for transportation of LPG from Kochi to Salem	Bharat Petroleum Corporation Ltd.
Lubrizol India Pvt. Ltd.	Manufacturing of Lube Additives	Lubrizol Corp., USA
Mumbai Aviation Fuel Farm Facility Pvt. Ltd.	Setting up common user integrated aviation fuel infrastructure at Mumbai Airport	Bharat Petroleum Corporation Ltd. Hindustan Petroleum Corporation Ltd. Mumbai International Airport Ltd.
NPCIL – IndianOil Nuclear Energy Corporation Ltd.	Setting up Nuclear Power Plant	Nuclear Power Corporation of India Ltd.
Paradeep Plastic Park Ltd.	Development and implementation of Paradeep Plastic Park project	Odisha Industrial Infrastructure Development Corporation
Petronet LNG Ltd.	LNG imports / distribution and regasification	Bharat Petroleum Corporation Ltd. Oil and Natural Gas Corporation Ltd. GAIL (India) Ltd.
Petronet VK Ltd.	Construction and operation of pipeline for transportation of POL products from Vadinar to Kandla	Reliance Industries Ltd. Nayara Energy Ltd. Gujarat Industrial Investment Corporation Ltd. Infrastructure Leasing & Financial Services Deendayal Port Trust State Bank of India Canara Bank
Ratnagiri Refinery & Petrochemicals Ltd.	Refinery and Petrochemical Project in Maharashtra	Bharat Petroleum Corporation Ltd. Hindustan Petroleum Corporation Ltd.
Suntera Nigeria 205 Ltd.	Oil exploration activities.	Oil India Ltd. Suntera Resources Ltd., Cyprus

Performance at a Glance

Particulars	2021-22	2020-21	2021-22	2020-21	2019-20	2018-19	2017-18
	(US $ Million)		(₹ in crore)				
I Financial							
Revenue from operations	**97,767**	69,374	**7,28,460**	5,14,890	5,66,354	6,05,932	5,06,428
Profit Before Exceptional Items, Finance Cost, Tax, Depreciation & Amortisation (EBITDA)	**6,384**	5,742	**47,568**	42,614	22,356	36,952	43,114
Profit Before Exceptional Items, Finance Cost & Tax (EBIT)	**4,907**	4,421	**36,562**	32,810	13,590	29,438	36,047
Profit Before Exceptional Items & Tax	**4259**	4004	**31,733**	29,716	7,611	25,127	32,564
Profit Before Tax	**4259**	4004	**31,733**	29,716	(3,694)	25,127	32,564
Profit After Tax	**3246**	2942	**24,184**	21,836	1,313	16,894	21,346
Other Comprehensive Income (net of tax)	**840**	618	**6,260**	4,584	(10,409)	(2,324)	397
Total Comprehensive Income	**4086**	3560	**30,444**	26,420	(9,096)	14,570	21,743
Contribution to Central & State Exchequer	**35490**	32173	**2,64,436**	2,38,786	1,82,067	1,93,422	1,90,670
Cumulative Dividend			**86,505**	74,937	63,920	60,018	51,109
Value Added	**7859**	7185	**58,560**	53,326	19,844	48,054	53,193
Distribution :							
To Employees	**1475**	1443	**10,992**	10,712	8,793	11,102	10,079
To Providers of Capital							
- Finance Cost	**648**	417	**4,829**	3,094	5,979	4,311	3,483
- Dividend	**1294**	1299	**9,640**	9,640	4,820	9,671	9,479
To Government- Income Tax & Dividend Tax	**1013**	1062	**7,549**	7,880	(4,021)	10,218	13,139
Retained in Business							
- Depreciation	**1477**	1321	**11,006**	9,804	8,766	7,514	7,067
- Retained earnings	**1952**	1643	**14,544**	12,196	(4,493)	5,238	9,946
What Corporation Owns							
Net Fixed Assets	**19379**	19612	**1,46,889**	1,43,400	1,33,682	1,18,708	1,13,927
Capital Work In Progress (CWIP)	**5864**	4520	**44,446**	33,052	29,738	23,599	14,348
Investments	**7624**	6649	**57,787**	48,619	39,139	49,940	47,488
Other Non Current Assets	**912**	744	**6,912**	5,437	6,279	6,401	9,029
Other Current Assets	**17091**	13829	**1,29,557**	1,01,117	98,000	1,13,931	94,657
Total	**50870**	**45354**	**3,85,591**	**3,31,625**	**3,06,838**	**3,12,579**	**2,79,449**
What Corporation Owes							
Equity							
- Share Capital	**1211**	1,256	**9,181**	9,181	9,181	9,181	9,479
- Other Equity	**16109**	13,857	**1,22,105**	1,01,319	84,588	99,477	1,00,692
Total	**17,320**	**15,113**	**1,31,286**	**1,10,500**	93,769	**1,08,658**	**1,10,171**

Particulars	2021-22	2020-21	2021-22	2020-21	2019-20	2018-19	2017-18
	(US $ Million)		(₹ in crore)				
Borrowings	**14617**	12,912	**1,10,799**	94,413	1,08,620	82,848	54,409
Tax Liability (Net)	**1516**	1,550	**11,491**	11,334	7,160	13,989	10,726
Other Non Current Liabilities	**1523**	1,478	**11,548**	10,810	10,278	6,408	7,366
Other Current Liabilities	**15894**	14,301	**1,20,468**	1,04,569	87,010	1,00,677	96,778
Total	**50,870**	**45,354**	**3,85,591**	**3,31,625**	**3,06,838**	**3,12,579**	**2,79,449**
Net worth (as per Companies Act)	**15044**	13,685	**1,14,031**	1,00,064	87,851	92,424	91,664
Market Capitalisation	**14773**	11,826	**1,11,981**	86,469	76,867	1,53,310	1,71,511
Enterprise Value	**29297**	24,695	**2,22,070**	1,80,568	1,84,951	2,36,119	2,25,866
Key Financial Indicators							
IOCL Reported GRM (in $/bbl)			**11.25**	5.64	0.08	5.41	8.49
IOCL Normalised GRM (in $/bbl)			**7.61**	2.31	2.64	4.81	7.37
Singapore GRM (in $/bbl)#			**4.99**	0.54	3.21	4.88	7.22
Earnings Per Share* (in $/₹)	**0.35**	0.32	**26.34**	23.78	1.43	17.89	22.52
Cash Earnings Per Share*(in $/₹)	**0.51**	0.46	**38.33**	34.46	10.98	25.85	29.98
Book Value Per Share* (in $/₹)	**1.89**	1.65	**143.00**	120.36	102.13	118.35	116.23
Market Price Per Share (NSE)* (in ₹)			**118.95**	91.85	81.65	162.85	176.60
Price Earning Ratio			**4.52**	3.86	57.08	9.10	7.84
Dividend Payout Ratio			**48%**	50%	297%	53%	52%
Total Payout Ratio			**48%**	50%	358%	63%	63%
Retention Ratio			**52%**	50%	-258%	37%	37%
Debt Equity Ratio							
- Total Debt To Equity			**0.84:1**	0.85:1	1.16:1	0.76:1	0.49:1
- Long Term Debt To Equity			**0.39:1**	0.44:1	0.46:1	0.29:1	0.14:1
Current ratio			**0.76:1**	0.73:1	0.69:1	0.81:1	0.76:1
Return on Average Net Worth (%)			**22.59**	23.24	1.46	18.35	24.66
Return on Average Capital Employed (%)			**15.44**	15.20	6.45	15.34	22.50
Total Asset Turnover Ratio (times)			**2.03**	1.61	1.82	2.05	1.89
Trade Receivables Turnover (times)			**45.95**	38.96	39.62	46.64	53.44
Inventory Turnover Ratio (times)			**7.98**	7.20	8.30	8.72	7.80
Interest Service coverage ratio (times)			**8.25**	11.24	1.79	8.57	12.31
Debt Service coverage ratio (times)			**4.93**	5.00	1.67	4.31	3.30
EBITDA Margin (%)			**6.53**	8.28	3.95	6.10	8.51
Operating Profit Margin (%)			**4.43**	5.49	1.77	4.34	6.44
Net Profit Margin (%)			**3.32**	4.24	0.23	2.79	4.22

Note:
Exchange rate used:-
For 2021-22 Average Rate 1 US $ = ₹ 74.51 and Closing Rate 1 US $ = ₹ 75.80 as on 31.03.2022
For 2020-21 Average Rate 1 US $ = ₹ 74.22 and Closing Rate 1 US $ = ₹ 73.12 as on 31.03.2021
* Absolute figures in US$ and ₹ Adjusted for Bonus Shares (1:1 issued in March 2018)
# Source Reuters

1	Revenue from operations	Sales (net of discount) + Sale of Services+ other operating revenue+net claim/ (surrender) of SSC and other claims+ subsidy from Central/state govt.+Grant from govt.
2	Value Added	Profit Before Tax + Finance Cost + Depreciation & Amortisation + Employee benefit expenses
3	Investments	Non-current Investments + Current Investments
4	Other Current Assets	Current Assets - Current Investments-Current tax assets
5	Borrowings (Total Debt)	Short Term Borrowing + Long Term Borrowings
6	Tax Liability (Net)	Deferred Tax Liability + Curent Tax Liability + Income Tax Liability - (Curent Tax Asset + Income Tax Asset)
7	Other Current Liabilities	Current Liabilities - Short Term Borrowing -Current Tax Liability
8	Enterprise Value	Market Capitalisation + Borrowings - Cash and Cash Equivalents
9	Equity	Equity Share Capital + Other Equity
10	Capital Employed	Equity+Borrowings+Deferred Tax Liability
11	Earnings Per Share	Profit After Tax / Weighted average number of Equity shares
12	Cash Earnings Per Share	(Profit after tax + Depreciation) / Weighted average number of Equity shares
13	Book Value Per Equity Share	Equity / Number of Equity Shares
14	Dividend Payout Ratio	Total Dividend/Profit After Tax
15	Total Payout Ratio	(Total Dividend + Total Dividend Distribution Tax)/ Profit After Tax
16	Retention Ratio	(Profit After Tax-Total Dividend-Total Dividend Distribution Tax)/ Profit After Tax
17	Total Debt To Equity	Borrowings / Equity
18	Long Term Debt To Equity	Long Term Borrowing / Equity
19	Return on Average Net Worth (%)	Profit after Tax / Average Net worth (as per Companies Act)
20	Return on Average Capital Employed (%)	EBIT / Average Capital Employed.
21	Interest Service coverage ratio	(Profit before tax+Finance cost in P&L+Depreciation)/ [Finance Costs (P&L + Capitalised)]
22	Debt Service coverage ratio	(Profit after tax+Finance cost in P&L+Depreciation)/[Finance cost (P&L+Capitalised)+ Lease & Principal repayment (long term)]
23	Operating Profit Margin	(Profit before Exceptional item and tax+Finance cost-Other non operating income)/ (Revenue from operations)
24	Total Asset Turnover Ratio	Total Income/AverageTotal Assets
25	Inventory Turnover Ratio	Sales (Net of Discounts)/ Average Inventory
26	Current Ratio	Current Assets/ Current Liabilities

Million Metric Tones

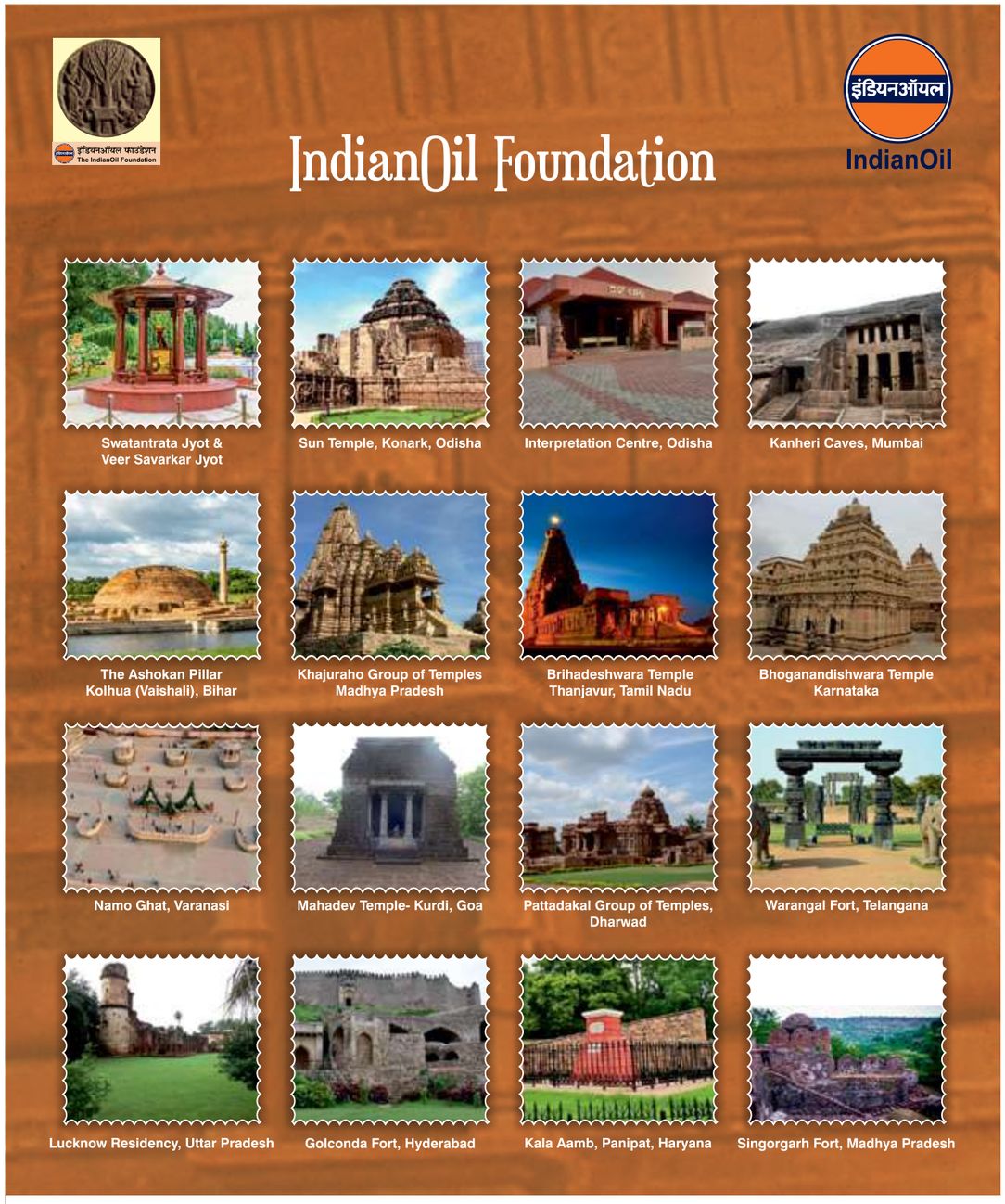
II Operations

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Operating Performance					
Product Sales					
Domestic					
- Petroleum Products	**73.743**	69.353	78.541	79.453	77.133
- Gas	**3.592**	3.279	3.318	2.461	1.904
- Petrochemicals	**2.871**	2.675	2.224	2.553	2.275
- Explosives	**0.287**	0.266	0.205	0.183	0.177
Total Domestic	**80.493**	**75.573**	**84.288**	**84.650**	**81.489**
Export	**5.914**	5.454	5.408	5.244	7.274
Total	**86.407**	**81.027**	**89.696**	**89.894**	**88.763**
Refineries Throughput	**67.665**	**62.351**	**69.419**	**71.816**	**69.001**
Pipelines Throughput	**83.248**	**76.019**	**85.349**	**88.527**	**85.675**

III Manpower Numbers

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
No. of Employees as on March 31	**31254**	31648	32998	33498	33157

Figures for the previous year have been regrouped, wherever necessary.





Preserving India's Glorious Heritage

Committed to preserve and promote India's rich Heritage, IndianOil Foundation (IOF), a non-profit trust of IndianOil in association with Archaeological Survey of India and National Cultural Fund, is developing world-class tourist facilities at prominent sites across India. The mission has been relentlessly working to enrich the quality of life of the community and preserve ecological balance and heritage through an environment conscience.

Directors' Report



A panoramic view of IndianOil's Panipat Refinery

Dear Shareholders,

It gives me immense pleasure to present the 63rd Annual Report and the Fifth Integrated Annual Report of the Company for the financial year ended March 31, 2022, along with the Audited Standalone and Consolidated Financial Statements and Auditor's Report thereon on behalf of the Board of Directors of the Company.

The year 2021-22 was remarkable for IndianOil both in terms of challenges and opportunities. The uncertainties on crude prices coupled with wide demand fluctuations further reiterated the fact that agility and innovations are the keys to survival and sustenance in today's complex business environment. IndianOil navigated through the Covid-19 pandemic induced plummeting product demand with innovative strategies, launch of new products and by optimising its functions across the value chain from crude procurement to product positioning.

Through the course of this tumultuous journey, IndianOil remained committed to ensuring uninterrupted supply of fuel. Every IOCian and members of the extended IndianOil family reinforced service excellence and ensured that there was no panic over fuel availability across the country. Going beyond the call of duty, the Company worked on supply of the life-saving liquid medical oxygen with the best possible logistic solutions leveraging our expansive supply chain.

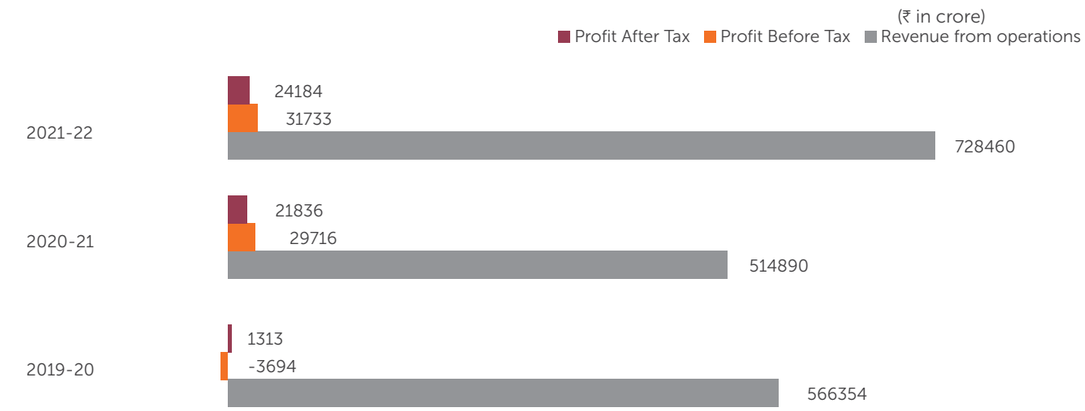
Performance Review

Financial

The Company reported the highest Revenue from Operation by any Indian company at Standalone as well as Consolidated Financial Statement level for the financial year 2021-22 which is also its highest ever achievement. The Company also registered its highest ever net profit.

The summarised standalone performance and appropriations for 2021-22 are given below:

Particulars	2021-22		2020-21	
	US$ Million	₹ crore	US$ Million	₹ crore
Revenue from Operations (Inclusive of Excise Duty & Sale of Services)	**97,767**	7,28,460	69,374	5,14,890
EBITDA (Earnings Before Finance Cost, Tax, Depreciation & Amortisation)	6,384	47,568	5,742	42,614
Finance Cost	648	4,829	417	3,094
Depreciation and Amortisation	1,477	11,006	1,321	9,804
Profit Before Tax	4,259	31,733	4,004	29,716
Tax Provision	1,013	7,549	1,062	7,880
Profit After Tax	3,246	24,184	2,942	21,836
Interim Dividend paid	1,109	8,263	1,299	9,640
Final Dividend paid	185	1,377	-	-
Appropriation:				
Insurance Reserve (Net)	3	19	1	11
General Reserve	1,949	14,524	1,642	12,185
Balance Carried to Next Year	-	-	-	-



Share Value

Particulars	2021-22		2020-21	
	US$	₹	US$	₹
Cash Earnings Per Share	**0.51**	**38.33**	0.46	34.46
Earnings Per Share	**0.35**	**26.34**	0.32	23.78
Book Value Per Share	**1.89**	**143.00**	1.65	120.36

Note: Exchange Rate used

For 2021-22: Average Rate 1 US$ = ₹ 74.51 and Closing Rate 1 US$ = ₹ 75.80 as on March 31, 2022

For 2020-21: Average Rate 1 US$ = ₹ 74.22 and Closing Rate 1 US$ = ₹ 73.12 as on March 31, 2021

The macro-economic, geo-political, financial, industry-specific information and markets in which the Company operates are provided in the Management Discussion and Analysis section, which forms a part of this Integrated Annual Report.

Issue of Securities / Changes In Share Capital

There was no change in the equity share capital of the Company during the year. However, in July 2022, your Company issued bonus equity shares in the ratio of 1:2, i.e., one bonus equity share for every two equity shares held.

Further, the Company also issued Unsecured, Rated, Listed, Taxable, Redeemable, Non-Convertible Debentures (NCDs) aggregating to ₹ 1,500 crore on private placement basis, during the year, which were listed on the Debt Segment of the NSE and BSE. The funds were utilised for the purpose for which they were raised and there were no deviations or variations in the utilisation.

Dividend

The Board of the Company has formulated a Dividend Distribution Policy and the dividends declared / recommended during the year were in accordance with the said policy. The policy is hosted on the website of the Company at: https://www.iocl.com/download/Dividend-Disribution-Policy.pdf

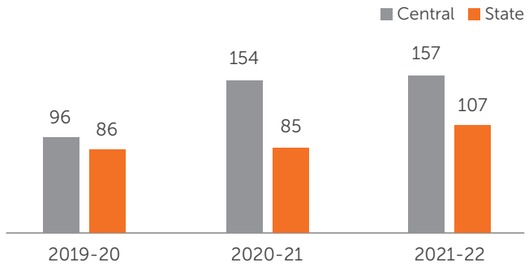
During the year, the Company paid a first interim dividend of ₹ 5.00 per share and a second interim dividend of ₹ 4.00 per share on the pre-bonus equity capital. In addition, the Board of the Company has recommended a final dividend of ₹ 3.60 per share (pre-bonus equity capital) for the year, thereby taking the total dividend for the year to ₹ 12.60 per share (pre-bonus equity capital) with a total pay-out of ₹ 11,568.10 crore equivalent to 47.83% of the PAT.

This is the 55th consecutive year of dividend declaration by the Company with cumulative pay-out of ₹ 86,505 crore (including the proposed final dividend for the year 2021-22).

Contribution to Exchequer

Over the years, the Company has been the largest contributor to the Government exchequer in the form of duties, taxes, and dividend. During the year ₹ 2,64,436 crore was paid to the exchequer as against ₹ 2,38,786 crore paid in the previous year, an increase of 11% over the previous year. An amount of ₹ 1,57,181 crore was paid to the Central Exchequer and ₹ 1,07,255 crore to the States Exchequer compared to ₹ 1,53,827 crore and ₹ 84,959 crore paid in the previous year, respectively.

Contribution to Exchequer (₹ in thousand crore)





Consolidated Financial Performance

In accordance with the provisions of the Companies Act, 2013, and the Accounting Standards issued by the Institute of Chartered Accountants of India, the Company has prepared the Consolidated Financial Statement for the group, including subsidiaries, joint venture entities and associates. The highlights of the Consolidated Financial Results are as under:

Particulars	2021-22		2020-21	
	(US$ Million)	(₹ crore)	(US$ Million)	(₹ crore)
Revenue from Operations (Inclusive of Excise Duty & Sale of Services)	**98,877**	**7,36,731**	70,094	5,20,237
Profit Before Tax	**4,602**	**34,289**	4,143	30,751
Profit After Tax	**3,453**	**25,727**	2,932	21,762
Less: Share of Minority	**84**	**625**	17	124
Profit for the Group	**3,369**	**25,102**	2,915	21,638

Note: Exchange Rate used

For 2021-22: Average Rate 1 US$ = ₹ 74.51

For 2020-21: Average Rate 1 US$ = ₹ 74.22

Operational Performance

The operational performance of the Company during the year was as under:

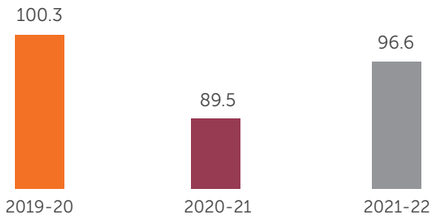
(in MMT)

Particulars	2021-22	2020-21
Refineries Throughput	**67.67**	62.35
Pipelines Throughput	**83.25**	76.02
Product Sales (inclusive of Gas, Petrochemicals & Exports)	**86.41**	81.03

Refineries

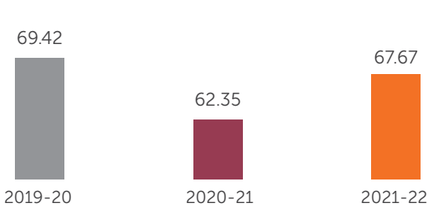
The demand destruction during Covid-19 was a global phenomenon and India was not an exception to it. Post-removal of Covid-19 restrictions, the demand for all petroleum products started peaking, which resulted in refineries operating at 107.6% of the installed capacity in February 2022 and 111.6% in March 2022, with overall capacity utilisation of 96.6% during the year.

Capacity Utilisation (%)



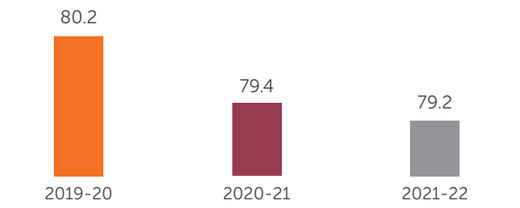
The refineries achieved a total throughput of 67.67 MMT during the year as against 62.35 MMT in 2020-21. In addition, Chennai Petroleum Corporation Limited, a subsidiary of IndianOil, achieved a throughput of 9.04 MMT during the year, thereby taking crude throughput of IndianOil group refineries to 76.71 MMT during 2021-22.

Throughput (in MMT)

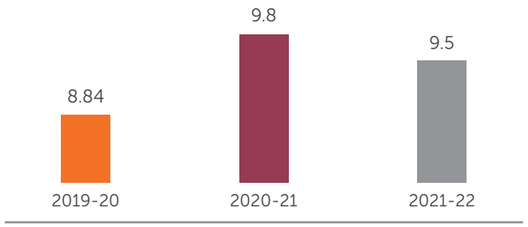


The Distillate Yield of refineries during the year was 79.2% as compared to 79.4% during the previous year. The Fuel & Loss improved to 9.5% during the year from 9.8% during 2020-21. On the Energy Conservation front, the refineries recorded MBN of 73.9 and Energy Intensity Index (EII) of 104.1. The refineries achieved 96.8% Operational Availability. Mathura Refinery achieved best ever MBN of 62.2 for 2021-22.

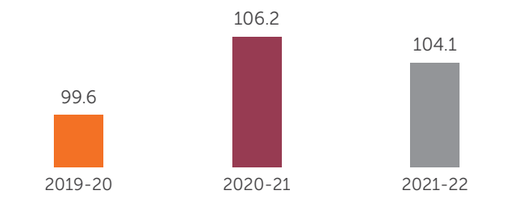
Distilled Yield (%)



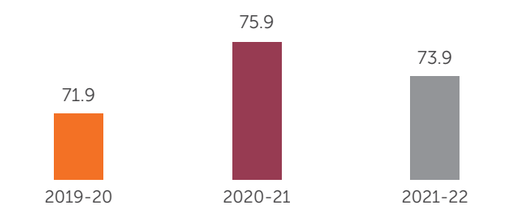
Fuel and Loss (%)



Energy Intensity Index



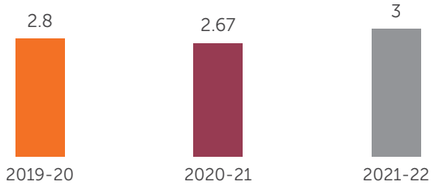
Specific Energy Consumption (%)



The Petrochemical units posted encouraging numbers, with Naphtha throughput touching 3.0 MMT as compared to 2.67 MMT during the previous year. The overall polymer production (Polyethylene + Polypropylene) clocked 1.76 MMT, while overcoming high stocks (due to low dispatches) and low feed

availability from reduced refinery operations. Your Company achieved the highest ever Polypropylene production of 1.138 MMT during the year against previous best of 0.93 MMT.

Naptha Throughput (in MMT)



Amidst the uncertainties, the refineries exhibited stellar resilience. The consistent thrive for excellence in quality management got another boost with the commissioning of fuel quality upgradation projects like Naphtha Hydrotreater Unit at Bongaigaon Refinery, Gasoline Hydro Desulfurization Unit at Gujarat Refinery and Naphtha Hydro Treater - ISOM unit at Guwahati Refinery during the year. For reduction of Nitrogen Oxide (NOx) emissions from diesel vehicles, Diesel Exhaust Fluid (DEF) plants were commissioned in Gujarat, Barauni, Panipat & Guwahati.

Bongaigaon Refinery became the 1st Refinery in North East region to supply Ethanol Blended Motor Spirit (EBMS) in August 2021 followed by Gujarat and Guwahati Refineries. EBMS is also being produced at Mathura, Panipat and Barauni Refineries since 2019-20. Panipat Refinery successfully developed BS-VI compliant Diesel with High Pour Point (DHPP), which does not lose its fluidity, for military usage in extreme cold conditions of Leh and Ladakh.

Seven new crude oil grades were included in the crude oil basket of the Company increasing its size to 210 crudes. Apart from increasing the share of North and South American crude oil grades to ~9 % in 2021-22, the percentage of total imported heavy High Sulphur crude also increased from 15.7% to 21.5% during the year, thereby increasing the flexibility in operations.

Your Company also commenced Grid power import under open access at Bongaigaon Refinery from June 2021. Parallel operation of Captive Power Plant with the 220kV grid has also been commenced at Gujarat Refinery for enhanced reliability and development of infrastructure for bulk power import at Barauni, Mathura, Panipat, Paradip is in progress.

In line with the National Vision of Energy Security and the Paris Agreement, your Company has completed the Feasibility study for one of its refineries for emission mitigation for combating climate change and involving the injection of carbon dioxide into oil reservoirs for enhanced oil recovery (EOR). It is also putting up Carbon Capture, Utilisation and Storage (CCUS) for production of food grade CO_2 for Food and Beverage Industry from the vent streams at two of its refineries.



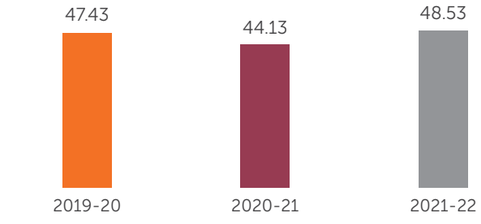
IndianOil's cross-country pipelines are globally recognised as the safest, cost-effective, energy-efficient and environment-friendly mode for transportation of crude oil and petroleum products.

Pipelines

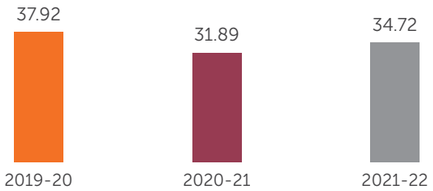
As an integrator of the business ecosystem of the Company, the Pipelines Division continued its pursuit of excellence during the year. As on March 31, 2022, the length of the pipeline network was 15,113 km with a capacity of 96.06 MMTPA (crude & product pipelines) and 27.82 MMSCMD (gas pipelines).

During the year, the liquid as well as gas pipelines demonstrated better performance compared to the previous year. The crude oil pipelines, operating at 100% capacity, achieved a throughput of 48.53 MMT; the product pipelines, operating at 73% capacity, achieved a throughput of 34.72 MMT and gas pipelines, operating at 37% capacity, achieved the highest ever throughput of 2985 MMSCM. By adopting technologically driven initiatives, the specific energy consumption in pipeline operations reduced from 13.31 to 12.74 KCAL/(MT*KM).

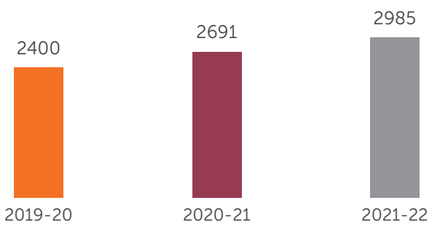
Crude Pipeline Throughput (in MMT)



Product Pipeline Throughput (MMT)



Gas Pipeline Throughput (in MMSCM)



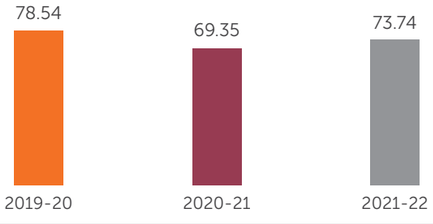
Significant initiatives like transportation of Ethanol Blended Motor Spirit (E10) in cross-country Pipelines, handling dual grade LPG in cross-country pipeline, etc. were implemented during the year which not only resulted in improvement of pipeline performance but also savings in logistic cost. 'Make-in-India' initiative received a fillip with indigenously developed Drag Reducing Additive (DRA), namely "XTRAFLO", in the pipelines to improve the movement of products as well as to reduce the energy consumption.

During the year, 106 km long Dahej - Koyali refinery R-LNG pipeline was commissioned and the Chennai - Trichy - Madurai product pipeline was augmented from existing 2.3 MMTPA to 3.9 MMTPA.

Marketing

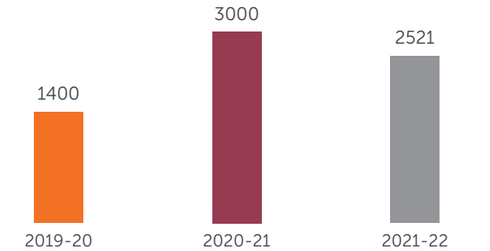
Your Company steered past all the challenges arising due to the onslaught of Covid-19 pandemic and maintained its leadership position in the industry with an overall market share of 40.8%. Sales volume of Petroleum Products was 73.74 MMT during the year as against 69.35 MMT in the previous year.

Sale of Petroleum Products (MMT)

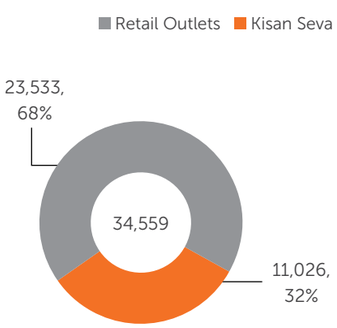


During the year, your Company commissioned 2521 retail outlets, 435 CNG stations and eight CBG stations, consistently building a formidable network infrastructure totalling to 34559 retail outlets, 1488 CNG stations and 26 CBG stations, spreading its reach further for the benefit of customers and business at large. The growing infrastructure and services are consistently ensuring unhindered supply of not only essential products but also value-added and branded ones for a complete transactional experience.

Retail Outlet + Kisan Seva Kendra Commisionings



IndianOil Retail Network





Brand Indane holds the world record of selling domestic LPG at the highest place in the world in Komic - a small village in Spiti, Himachal Pradesh, besides operating the world's highest bottling plant at Leh.

Your Company also developed 129 SWAGAT brand of niche and unique retail outlets for its highway customers for a complete service experience of quality fuel, food, rest, and other basic specific requirements, offering a perfect opportunity to rest, recharge and refresh.

The LPG business, continued its commitment towards distribution of 'fuel of the masses', surpassing the previous year performance with an outstanding highest ever sale of 13.66 MMT during the year and registered a growth of 2%. As a preparation to meet the growing LPG demand, your company commissioned greenfield LPG plants at Agartala, Korba, Jabalpur and Gwalior during the year taking the tally of total LPG locations to 101.

To further strengthen the customer reach, 106 LPG distributorships were commissioned during the year, taking the total number to 12813. Your Company's unique and path breaking initiative of new age composite cylinders launched last year, was bolstered by supply of more than 30,000 composite cylinders in 152 markets.

Your Company's focus towards customer-care got accentuated by way of 10 new customer centric initiatives during the year including release of new connections through missed call as well as over the counter. The initiative of "new connection through Missed call" was a step forward in the digital world as it removes the need to visit a distributor and prospective customers can get a new LPG connection by just a missed call. Doorstep Double Bottle Connection (DBC) was started wherein a customer can take a double bottle connection with the choice of either 5 kg or 14.2 kg cylinder delivered by their delivery personnel. Your Company also commenced Indane Tatkal Seva – a two-hour refill delivery with a nominal tatkal charge.



Indane XTRATEJ, the differentiated LPG with nano-additives for enhanced performance, achieved a sale of 112.6 TMT during the year. The sale of 5-kg cylinder "Chhotu" registered a phenomenal growth of over 30% during the year. The Company continued to play its pivotal role in the implementation of Ujjwala 2.0 Scheme by releasing 50 lakh connections during the year, well ahead of timelines set by MoP&NG.

In the aviation business, the Company strongly maintained its sky-high leadership position during the year with a formidable market share of 62.5%. To further strengthen its reach and leadership position, your Company commissioned nine new aviation fuel stations (AFSs) during the year, at Tezu, Ratnagiri, Sindhudurg, Jabalpur, Hosur, Keshod, Gwalior, Rajahmundry and Campbell Bay, building its network to 126 AFSs across the vast geographical spread of our country.

The Company continued to drive its business initiatives by signing long term tie-up with major customers both in Government and private sectors like Indian Railways, Defence Forces, Tata Group, Aditya Birla Group and many more. IndianOil TOTAL Pvt. Ltd., a JV of IndianOil, commenced marketing of value-added bituminous products from its plants at Jodhpur, Chennai and Kolkata, giving your Company sizable competitive advantage with the expansion of its product basket.



IndianOil, a national brand trusted by over a billion Indians

The grassroot POL Terminals at Motihari in Bihar and Asanur in Tamil Nadu were mechanically completed, thus augmenting the Company's infrastructure. The terminal at Motihari has state-of-the-art fully automated facilities with a storage capacity of 70,000 KL and dispatch support of 12 bay TLF Shed. The terminal at Asanur has storage capacity of 80,870 KL and despatch support of eight bay TLF Shed. Besides, grassroot rail-fed depots at Guntakal and Moinarband were also commissioned. Guntakal Depot with an area of 83 acres has a tankage of 51,000 KL, while Moinarband Depot spread over 55 acres has a tankage of 29,990 KL.

In keeping with the nation's thrust on eco-friendly fuels, 9.18% of Ethanol blending with Motor Spirit was done during the Ethanol Sugar Year (November 2020 – October 2021). This was against 6.87% in the previous year.



Your Company with its unstinted commitment towards enhancing customer experience at its retails outlets, implemented some innovative Integrated Transaction Processing Server (ITPS) solutions during the year. Integration of cashless transactions with actual delivery of product; acceptance of payment through FASTag; integration of urban loyalty program XTRAREWARDS with PayTM, PhonePE and Google Pay; cashless mode 'Queue Buster' for 2-wheeler customers; etc.

Looking ahead, IndianOil tied-up with various companies viz. NTPC, PGCIL, REIL, Fortum, Tata Power, Ola, Hyundai, Tech Mahindra, BHEL, Sun Mobility and set up charging facilities at 2145 retail outlets & battery swapping facilities at 34 ROs, as on 31.03.2022, thus, taking the foundation steps to build your Company's strength in this future landscape of alternate fuels.

SERVO, India's most preferred and trusted lubricant brand, marked its 50th year in January 2022. Despite the fallout of Covid-19 pandemic, SERVO registered its highest ever sales volume of 637 TMT during the year with phenomenal growth of 23.7% over previous year. SERVO was conferred the SUPER BRAND status once again by Super Brand Council of India in 2021 edition.



Your Company launched some very innovative products like SERVO Greenmile (premium petrol engine oil) and SERVO Raftaar (premium diesel engine oil), which have the potential to reduce carbon footprint by 10%; SERVO Defrost, first Indian product to offer defrosting solution for vehicle operating in temperatures up to 14°C; XTRAGUARD, a nano-technology based surface disinfectant spray; during the year. SERVO brand also expanded into the wind lubricant business with supply of SERVOmesh Windmill Turbine Oil.

During the year, approval for 41 SERVO grades was obtained from Original Equipment Manufacturers (OEMs) like TATA Motors, Ashok Leyland, Cummins, Skoda Volkswagen, MG Motors, Mahindra & Mahindra, Hyundai, Fiat, Munjal Showa, Hero MotoCorp, etc. SERVO expanded its footprint to Thailand, Burundi-East Africa and Philippines; and is now available in 35 countries worldwide.

The cryogenics group of the Company maintained its leadership position and sold over 31,000 units of cryo-cans and 51 Cryogenic vessels during the year. Aiming to become a

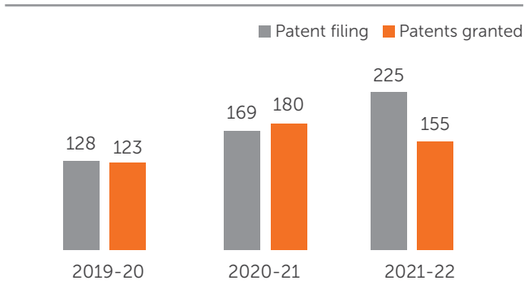


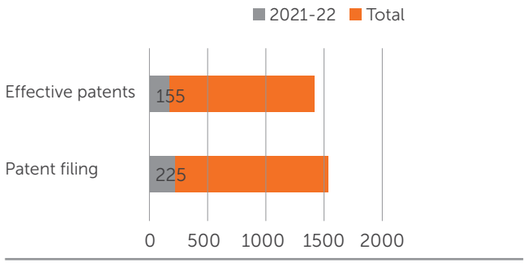
IndianOil is one of the largest manufacturers of cryogenic containers in the country

major player in LNG business, the group also initiated setting up 14 Nos of LNG retail outlets on the highways. The group also manufactured 41 aviation refuellers, 22 aviation containerised tanks with module and 2 Hydrant Dispensers.

Research and Development

IndianOil's R&D Centre plays a key role in the efforts towards '*Atmanirbhar Bharat*' by developing cost effective, environment friendly & socially responsible technology solutions. Cutting edge research is carried out in core areas like fuels & lubricants, refining technologies & catalysts, petrochemical & polymers. The R&D efforts in sunrise areas like Nano, Solar, Bioenergy, Hydrogen and Fuel Cell provide the much-needed future direction.







Smart Fuel Hydrogen Technology Station installed at IndianOil R&D Centre at Faridabad, Haryana

During the year, R&D crossed another milestone of 1500 patent filings. With a portfolio of 1519 patents filing and 1410 effective patents as of March 31, 2022, the R&D Centre has doubled its granted patent portfolio in last 5 years. Despite challenges on account of Covid, the R&D Centre could file 225 patents, the highest in its history, and 155 patents were granted during the year.

Moving towards self-reliance in fuel upgradation technologies, Performance Guarantee Test Run (PGTR) of 1.2 MMTPA grass-root indeDiesel® unit at Haldia Refinery for BS-VI Diesel & 35 kTA grass-root INDAdeptG unit at Guwahati Refinery for BS VI production were successfully completed meeting all the specified guaranteed parameters. The 3rd INDMAX unit was successfully commissioned at Bongaigaon Refinery and the INDMAX technology was also licensed to Numaligarh Refinery Limited, which has established IndianOil's position as a technology provider. A 235 kTA grass-root indDSN® unit using in-house developed hydrotreating catalyst INDICATFlexi was successfully commissioned at Bongaigaon refinery. 377 MT of in-house developed INDICATPrime DHDT catalyst was manufactured and supplied for DHDT unit of Gujarat Refinery. R&D Centre has also crossed the milestone of 10000 MT of catalyst sale based on in-house developed recipes.

As a transient solution towards hydrogen economy, a HCNG demonstration project was undertaken by IndianOil R&D in Delhi jointly with Indraprastha Gas Limited on 50 BS IV compliant CNG buses using HCNG fuel produced from four TPD compact reformer plant based on in-house developed technology. The results of the trial, which are found to be quite promising and in-line with claims, have been submitted to MoP&NG.

The R&D Centre also spearheads IndianOil's Start-Up scheme which has seen incubation of 24 start-ups in two rounds of funding. IndianOil is closely involved in mentoring the startups through handholding by internal Process Owners till achievement of Proof-of-Concept. To continue the momentum of encouraging Start-ups, the 3rd round was also launched during the year. A milestone of 50 IPs (Patents, Trademarks, Copyrights) was achieved during 2021-22 for StartUp Scheme.

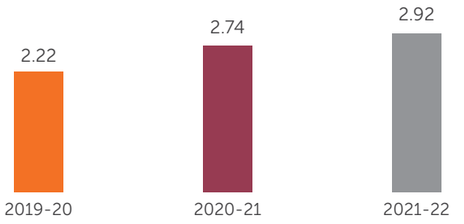
Business Development

Over the last few years IndianOil has assiduously created new business verticals like petrochemicals, natural gas marketing, alternative energy, exploration & production etc. with an objective to achieve integration with the core verticals as well as to take on the challenges emerging due to the ongoing energy transition. The performance of various business verticals during the year was as under:-

Petrochemicals

Your Company is the second largest petrochemicals player in the country offering polymers, Linear Alkyl Benzene (LAB), Purified Terephthalic Acid (PTA), Glycols and Butadiene. The brand, PROPEL, is a leading brand in the Indian petrochemicals market.

Petrochemical Sales (MMT)



The petrochemicals business continued to be on a trajectory of significant growth achieving the highest ever annual Petrochemical sales of 2.92 MMT as against previous high of 2.74 MMT during 2020-21, with growth of 6.6%. While sales increased across almost all product lines, the fulcrum of the growth came from Polypropylene sales crossing 1 MMT and total polymer sales hitting a record 1.75 MMT in 2021-22.

The Company has Product Application & Development Centres (PADCs) at Panipat and Paradip which developed new polymer grades in line with specific customer requirements to maintain Company's stronghold over the market. Four new PROPEL grades were developed during the year, which helped in import substitution. As a testament to the Company's strong customer outreach, during the year, 22 OEM approvals were received and a first ever International OEM approval was received from Dabur Nepal for their Sanifresh toilet cleaner bottle.



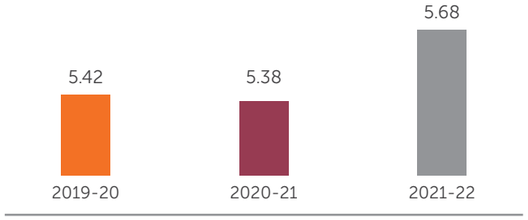
Product Application & Development Centre (PADC) setup by IndianOil at Paradip is equipped with 50 latest sophisticated polymer testing and processing equipment to cater to the needs of customers and new investors

The Company's petrochemicals capacity as on 31.03.2022 was approx. 3200 KTA with Petrochemical Intensity Index of 4.6%. With implementation of ongoing projects, the capacity will be doubled in the next three years with intensity index of 7.1% by 2025.

Natural Gas

During the year, the Natural Gas sale (including internal consumption) was 5.68 MMT as compared to 5.38 MMT during 2020-21. The second wave of Covid-19 in April-May 2021, subsequent lockdowns and unprecedented high spot LNG prices had a ripple effect on RLNG sales; however, the Company maintained 20% market share in the RLNG segment and 10% share in the overall Natural Gas market. Your Company is the market leader in small scale LNG business in India and for the first time since inception of LNG at Doorstep, overall monthly LNG sale by Road Tankers crossed 12,000 MT in September 2021. Further, LNG sales through road tankers achieved highest ever sales of 105.71 TMT during 2021-22. With the expected commencement of facilities at Dhamra and Jaffrabad shortly, completion of gas pipeline connectivity to the eastern refineries (Barauni, Haldia & Paradip) and development of gas pipeline infrastructure ex-Ennore & through GIGL (JVC) connecting major customers, the gas sales are expected to grow to ~8 MMTPA in coming two-three years. Further, the Company has firmed up its plan to double the capacity of its Ennore Terminal to 10 MMTPA, which would further enhance its market presence.

Natural Gas Sale (MMT)



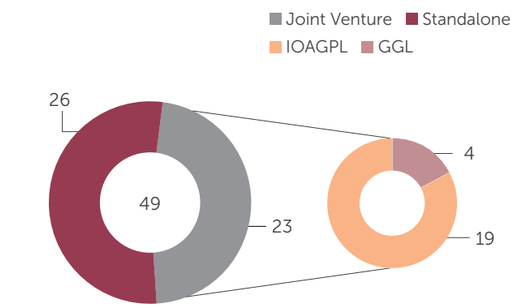
Your Company acquired a 4.93% equity stake in the Indian Gas Exchange Limited (IGX) during the year and became its Proprietary Member. The acquisition of equity stake in IGX is a strategic opportunity to become part of India's Natural Gas market and to achieve leadership position in the market.

City Gas Distribution (CGD)

Your Company is aggressively building its portfolio in the CGD business. During the year, the Company received authorisation of nine additional Geographical Areas (GAs).

After the 11th Round of CGD Bidding, IndianOil along with its two JV Companies is now present in 49 GAs and 105 Districts spread across 21 States and UTs, making it one of the most significant CGD players in the country. On standalone basis, IndianOil will now have presence in 26 GAs and 68 Districts spread across 11 states & UT covering nearly 20% of the total CGD market potential in GAs announced recently in 3 bidding rounds.

CGD GAs (in nos.)



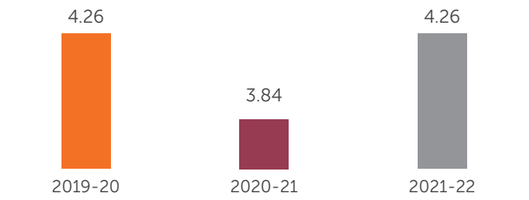
In total, the Company's portfolio now consists of 49 GAs of which 26 are standalone and 23 are through Joint Venture Companies, i.e, 19 through IndianOil Adani Gas Private Limited and four through Green Gas Limited. All the 23 GAs are operational and work continues for expansion of CGD network. Out of the Company's 26 standalone GAs, eight GAs have been commissioned and commissioning of balance GAs is progressively planned.

Exploration & Production (E&P)

The Company continues to explore opportunities in the E&P sphere through Participating Interests (PI), joint ventures and wholly owned subsidiaries. The upstream portfolio consists of nine domestic & 11 overseas assets, of which eight assets are producing (one domestic, seven overseas). Apart from the producing assets, four assets are under development, four assets have discovery, one asset is under appraisal and three assets are under exploration.

During the year, the production from the producing assets rose to 4.26 Million Metric Tonne of Oil Equivalent (MMToe), registering a 9.8% growth over the previous year. The Company plans to scale up its production in the coming years with a target of achieving 11 MMTPA production by the end of the decade. The Company also plans to expand its upstream footprint to target approximately 10% upstream integration ratio by 2030.

Production from Assets (MMToe)





Aakash-XIV Rig carrying out well completion operation at well no. BK-51 well in the Coal Bed Methane (CBM) Block BK-CBM-2001/1 located in Bokaro, Jharkhand

As part of domestic acquisition efforts, during the year, the Company initiated farming-in five exploration blocks awarded to OIL in OALP-III & OALP-V Bid Rounds.

In Company's first overseas operatorship asset, Block-1, Abu Dhabi, appraisal well testing established an encouraging hydrocarbon flow of close to 4 thousand barrels per day. Moreover, the Company is also drilling one well to establish recoverability of the prospective unconventional resources in Block-1.

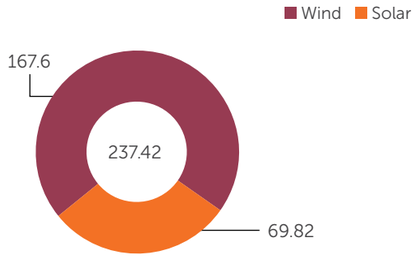
Alternative Energy

Your Company is steadily progressing towards harnessing renewable energy to minimise carbon emissions for a green economy. The Company's installed capacity of Renewable Energy stood at 237.42 MW as on 31.03.2022, which included 167.6 MW of wind capacity and 69.82 MW of solar photo voltaic (PV) capacity. During the year, solar PV capacity of 4.47 MW was added. The total generation through the Company's renewable portfolio during the year was 358.20 GWh, which resulted in emission mitigation of 282.98 thousand metric tonnes of carbon-dioxide equivalent. The total renewable energy generated forms about 5% of the total electricity consumption of the Company.

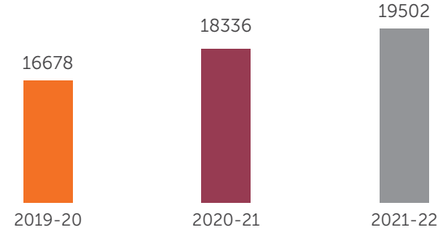
As on 31.03.2022, the Company has solarised 19,502 Retail Outlets with a cumulative solar power installed capacity of ~111.5 MW, of which 9.1 MW was added during 2021-22.

Your Company is leading the implementation of SATAT (Sustainable Alternative Towards Affordable Transportation) Scheme of GoI and has issued Letters of Intent (LOIs) to 2188 plants for production and supply of Compressed Biogas (CBG)

RE Portfolio (in MW)



Solarised ROs (cumulative)



of about 5.1 MMTPA. Sale of CBG has started from 26 Retail Outlets located across the states of Maharashtra, Gujarat, Tamil Nadu, Andhra Pradesh, Telangana, Punjab, Haryana, Karnataka & Uttar Pradesh; and two Industrial Consumers in Tamil Nadu under the brand name of 'IndiGreen'. During the financial year, the Company sold 3891 tonnes of CBG, while the cumulative sales of CBG since its inception in September 2019 till March 2022 was 5262 tonnes.

As the Company strengthens the future CBG growth plans, a tri-partite Memorandum of Understanding (MoU) was signed with Poonawalla Clean Energy Pvt. Ltd. and Noble Exchange Solutions Pvt. Ltd. for exploring production of CBG and rolling-out of 'city waste to city transport' model in 100 cities. Further, it also signed MoUs with BIO-WMS Private Limited and CNM Energy Pvt. Ltd. for setting up of 100 CBG Plants each.

The Company has cumulatively issued 31 LOIs to set up UCO-Biodiesel plants for a cumulative quantity of ~23 crore litres. During the year, the Company received 71 KL of UCO (Used Cooking Oil) based Biodiesel (UCO-Biodiesel) at its Tikrikalan Terminal in Delhi, while supplies of UCO-Biodiesel commenced from two Plants.

In line with government directives of 20% ethanol blending by 2025, apart from the conventional 1G route, the Company is enabling 2G and 3G sources, with appropriate use of modern technology to set up state-of-the-art 2G and 3G plants. One such 2G Ethanol Plant of 100 KLP/D capacity is coming up in Panipat and is expected to be commissioned in the current year.

In electric mobility, the Company has collaborated with Israeli company, Phinergy Limited and formed 'IOC Phinergy Private Limited' (IOP), for commercialisation of aluminium-air battery technology in India. The Company has set a target of installing 10,000 EV charging stations in the next three years and already has 2145 EV charging stations under its fold.

Sustainable Development

Your Company began its sustainability journey more than a decade ago, however, even prior to this, caring for people and planet had been integral to its way of doing business. In today's times, sustainability or ESG performance has become fundamental to managing stakeholders' expectations.

The Company's carbon footprint during the year was close to 21.54 MMTCO2e, while the water footprint was 98.68 billion litres. The Company has committed to achieve net zero emissions while continuing the efforts towards environment management and conservation. The Company also undertook a massive tree plantation effort during the year, besides undertaking emission mitigation efforts like energy efficiency, fuel replacement and alternate energy projects. As on 31.03.2022, your Company installed rainwater harvesting projects with catchment area of over 2,800 Hectare which are estimated to have harvested about 7.5 billion litres of rainwater during 2021-22. The Company is also pursuing efforts in waste management and towards establishment of circular economy, especially in plastic waste and organic waste.



IndianOil's CBG Plant in Pune

The Company has commissioned a 5 TPD cattle dung-based Biogas plant at Gorakhnath Temple, Gorakhpur, Uttar Pradesh under CSR. The gas produced from the Biogas plant is being used as cooking fuel for temple devotees and Biogas is also used to operate a gas generator at the temple premises. The plant is in addition to the earlier commissioned two 5 TPD cattle dung-based Biogas plants at Betul & Hoshangabad, Madhya Pradesh.

Overseas Business

Your Company firmly believes that diversification and globalisation are key to the future. In pursuit to be a 'Globally Admired Company', IndianOil has been keeping a close watch



IndianOil, through its Joint Venture Company, IndianOil LNG Pvt. Ltd., has developed a 5-million metric tonnes per annum (MMTPA) capacity Liquefied Natural Gas (LNG) Terminal at Kamarajar Port, Ennore in Tamil Naidu



Binding Term Sheets being signed by IndianOil, L&T and ReNew Power to develop assets for Green Hydrogen and Renewables

on the developments in the geographies of its interest to explore business opportunities and enhance global footprints. During the year, the Company along with its partners established Bharat Energy Office, a Limited Liability Company (LLC) in Russia, with 20% participation, through its wholly owned subsidiary, IOCL Singapore Pte. Ltd (ISPL).

The Company has been exploring new avenues for exports, in pursuance of its Vision of being a Globally Admired Company, by leveraging its core competencies to harness business opportunities across the globe. The Company has been the sole supplier of major Petroleum products to Nepal through the state-owned company Nepal Oil Corporation (NOC) under a General Supply Agreement (GSA) since 1974. Under last GSA 2017-2022, while the Company supplied around 11.8 MMT product from 2017 to 2022, the export to Nepal is estimated to grow at a rate of more than 10% during next 15 years. The agreements for a further period of five years have been executed and during the validity of the current agreement from 2022-27, export of 15 MMT of products is projected. The Company as a part of GoI's bilateral initiatives conducted a joint study for identification of petroleum infrastructure projects in Nepal and would be entering into a separate agreement with NOC for the same.

A Joint Venture Company named 'Beximco IOC Petroleum & Energy Ltd.' (BIPEL) between IOC Middle East FZE, Dubai (a wholly owned subsidiary of the Company) and RR Holdings Ltd., Ras-Al-Khaimah with equity holding of 50% each, was formed in Bangladesh. BIPEL would acquire the existing LPG infrastructure of Beximco LPG, a subsidiary of RR Holdings Ltd. in Bangladesh. In addition, supply of LPG to Northeast India and diversification into other downstream business activities like LNG, Lubricants, and Petrochemicals etc. is also planned under the ambit of BIPEL.

A major milestone was achieved in India-Sri Lanka economic & energy partnership with signing of long pending lease deed between Govt. of Sri Lanka, Ceylon Petroleum Corporation (CPC) and Lanka IOC PLC (a Subsidiary of IndianOil in Sri Lanka) on January 6, 2022 for Trincomalee Tank Farm along-with the Modalities & JV agreements. The execution of documents for a period of 50 years and leasing of tanks in favour of the newly formed Joint Venture viz. Trinco Petroleum Terminal (Pvt) Ltd. (wherein Lanka IOC has shareholding of 49% & CPC has 51%) shall provide umpteen opportunities for both India & Sri Lanka.



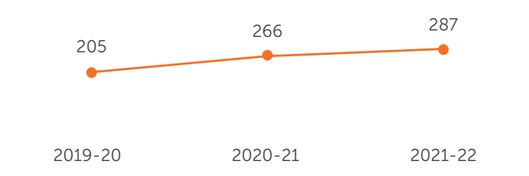
IndianOil Petroleum Product handling through tankers in South Oil Jetty at Paradip Port

Explosives

The Explosives group achieved an all-time high production & sale of 287 TMT Bulk Explosives during 2021-22, clocking a growth of 8% over previous year's volume. In the last seven years, the production and sales of Bulk Explosives has grown almost three folds from 100 TMT in 2014-15 to 287 TMT in 2021-22.

To cash in on the growth opportunities in the segment, in addition to brownfield projects, greenfield projects are being planned at Umrer (Maharashtra), Basundhara (Odisha), Neyveli (Tamil Nadu) and Mandamari (Telangana).

Bulk Explosives Sale (in TMT)





IndianOil's Pipeline infrastructure has expanded with the completion of the 1200 Km-long Paradip-Hyderabad product Pipeline

Diversification

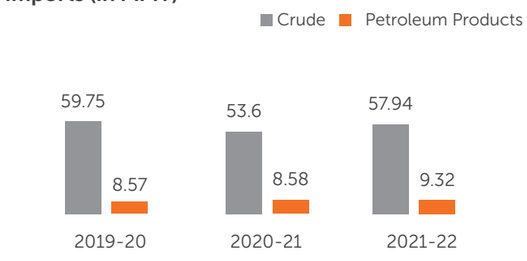
Your Company had ventured into setting up fertiliser plants at Barauni (Bihar), Gorakhpur (U.P.) and Sindri (Jharkhand) through a joint venture company, Hindustan Urvarak and Rasayan Ltd., in partnership with National Thermal Power Corporation Ltd., Coal India Ltd., Fertilizer Corporation of India Ltd. and Hindustan Fertilizer Corporation Ltd. While the plant at Gorakhpur has been commissioned in May 2022, the other plants are under advanced stages of construction and slated to be commissioned by the second quarter of 2022-23.

International Trade

Your company imported 57.94 MMT of Crude Oil during the year, as against 53.60 MMT in the previous year to meet the crude requirement for processing at its refineries.

The selection of Crude Oil is done from a diversified mix of supply sources to optimise the cost as well as to improve flexibility. The import of petroleum products during the year was 9.324 MMT as against 8.58 MMT in the previous year.

Imports (in MMT)

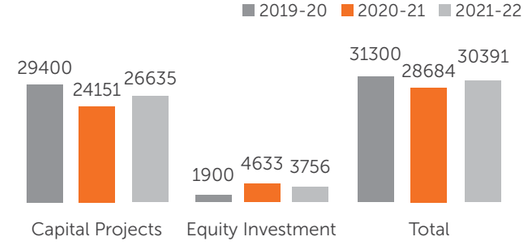


Projects

Your Company recognises the importance of infrastructure development and has been consistently investing in several projects across the country and achieved its Capex target for the sixth consecutive year. Your Company has consistently contributed more than a quarter of the combined Capex spend of all PSUs under MOP&NG since 2018-19. The projects are financed through an optimum mix of internal accruals and borrowings from domestic as well as international markets whenever required. The project teams across the divisions ensured that the projects are implemented seamlessly.

During the year, the total capex spent by the Company was ₹ 30,391 crore (₹ 26,635 crore on capital projects and ₹ 3,756 crore towards equity investment in joint ventures / subsidiaries).

CAPEX (₹ in crore)



The strength of the Company springs from its experience of operating the largest number of refineries in India and adapting to a variety of refining processes along the way. The Company has commissioned several grassroot refineries

and modern process units at its refineries and is constantly investing in refining technologies to stay ahead of the curve. Your Company has ambitious growth plan for capacity augmentation, de-bottlenecking, bottom upgradation and quality upgradation. Projects worth more than ₹ 1 lakh crore are under various stages of implementation at the refinery locations, notably expansion projects at Barauni from current 6 MMTPA to 9 MMTPA, Gujarat from current 13.7 MMTPA to 18 MMTPA through the Petrochemical & Lube Integration Project, Panipat from current 15 MMTPA to 25 MMTPA. and Guwahati from current 1 MMTPA to 1.2 MMTPA; PX-PTA & Ethylene Glycol project at Paradip; Oxo Alcohol project at Gujarat, Naphtha Cracker revamp project at Panipat; Linear Alkyl Benzene revamp project at Gujarat; Poly Butadiene Rubber (PBR) Project at Panipat; 2nd Generation and 3rd Generation Ethanol Projects at Panipat; Bitumen project at Gujarat & Barauni etc.

The existing refining capacity of the IndianOil refineries will expand from 70.05 MMTPA to 87.9 MMTPA by 2025. The group refining capacity i.e. including CPCL shall stand at 107.05 MMTPA by 2025.

To compliment the various greenfield and brownfield projects of the refineries, marketing and business development, various pipeline projects are being implemented across the country to ensure the most economical mode of transportation. The projects presently under implementation would increase the pipeline network length to around 21900 km and enhance capacity to 165.9 MMTPA and 51.7 MMSCMD respectively for liquid and gas pipelines, upon completion. Major ongoing pipeline projects include Haldia - Barauni crude oil pipeline, Paradip - Hyderabad product pipeline, augmentation of the Paradip - Haldia - Durgapur LPG pipeline and its extension up to Patna and Motihari, Koyali - Ahmednagar - Solapur product pipeline, Paradip - Somnathpur - Haldia product pipeline, augmentation of the Salaya - Mathura crude oil pipeline system, Laying of new Mundra - Panipat crude oil pipeline and Ennore - Thiruvallur - Bengaluru - Puducherry - Nagapattinam - Madurai - Tuticorin natural gas pipeline. In addition, your Company is undertaking massive LPG and natural gas pipeline projects through joint ventures, spanning approximately 8,600 Km. These include the longest LPG pipeline in the world, Kandla - Gorakhpur LPG pipeline, Kochi - Salem LPG Pipeline, the North-East Natural Gas Grid, Mehsana - Bhatinda, Bhatinda - Jammu - Srinagar & Mallavaram - Bhopal - Bhilwara - Vijapur pipelines.

To ensure uninterrupted supply of energy solutions various infrastructure projects comprising of fuel stations, Indane LPG distributorships, SERVO lubricants & greases outlets, Consumer pumps, bulk storage terminals and installations, inland depots, aviation fuel stations, LPG bottling plants, lube blending plants, import terminals are also being undertaken.

The construction of the R&D campus at Faridabad, Haryana at a capex of ₹ 3200 crore, is underway and is expected to be completed by 2023. The new campus will have state-of-the-art facilities to boost the research horizon of the R&D Centre on areas like alternative and renewable energy, nanotechnology, etc.

Health, Safety & Environment (HS&E)

The Company is committed to conduct its business with a strong environment conscience, ensuring sustainable development, safe workplaces and enrichment of the quality of life of its employees, customers and community. All IndianOil refineries are certified to ISO:14064 standards for sustainable development as well as for the Occupational Health and Safety Management System (ISO:45001), besides having fully equipped occupational health centres. Further, the petrochemical plants, most of the pipeline installations and few of the marketing installations are ISO-14001 certified for environmental management. API RP 1173 based Pipeline Safety Management System has been introduced across the entire pipeline network. Compliance with safety systems and procedures and environmental laws is monitored at the Unit, Division, and Corporate level.

The HS&E activities of the Company are reviewed periodically in the Board meetings. During the year, various capability building, and training programmes were conducted on safety-related topics covering the entire spectrum of activities of the Company.

During the year, occupation health related activities like "Paramarsh" - to take care of the mental and psychological health of IndianOil workforce, Annual Corporate Occupational Health Meet with the theme 'Promoting Healthy, Safe & Resilient workplace', 'Emotional Wellness Interactive workshops, etc. were organised.

In addition, various capability building, and training programmes were conducted on safety-related issues, such as all India campaigns for safe decantation of Tank Trucks (TT), safe TT driving campaigns, simulator-based training, HAZOP and risk analysis, issuance of various guidelines & SOPs, etc.



IndianOil is the first Indian PSU to win the Global Healthy Workplace Award 2021 in the 'Large Scale Industry' category

Digital Initiatives

Information technology and digitalisation continued to play a pivotal role in growth of IndianOil's business during 2021-22 with implementation of various initiatives aimed at harnessing the best use of the technologies which were carefully infused with our core values of Care, Innovation, Passion, and Trust.

ePIC (e-Platform for IndianOil Customers) has proven to be a game changer by integrating all the end customers on the unified digital business platform across different lines of business. This has facilitated the Company to make its operations more efficient, automated, agile leading to maximum value creation for all stakeholders through various measures such as e-KYC, multi-channel LPG refill booking and digital payments, e-invoicing, and loyalty programmes. The platform has also provided an interface for rolling out citizen centric welfare schemes of GoI such as Pradhan Mantri Ujjwala Yojana 2.0 and Pradhan Mantri Garib Kalyan Yojana.

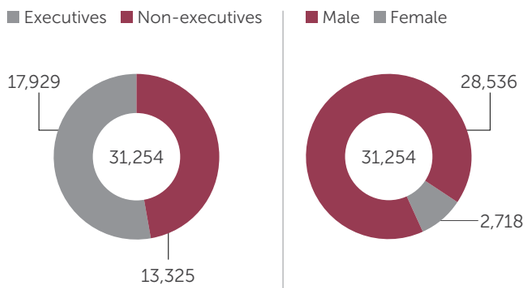
The Company has launched Project i-DRIVE (IndianOil's Digital Readiness and IT Vision Enablement), a flagship digital transformation program under which several high-impact advanced analytics use cases, emerging technology platforms and custom tools are being deployed across businesses through setup of Digital Centre of Excellences (DCoE) focused on embedding digital ways of working.

While embracing and implementing the state-of-the-art digital technologies, your Company has reinforced 360 degrees IT security measures thus instilling trust and confidence in all the customers and stakeholders.

Human Resources

The dedicated and resilient workforce of IOCians continued to perform their duties to fuel the country despite frequent challenges posed by Covid-19. The total strength of employees as on March 31, 2022 was 31254, including 17929 executives and 13325 non-executives of which 2718 were women employees. During the year, the Company recruited 880 executives. To further the cause of apprenticeship training in the country, the Company engaged 3721 apprentices under various categories like Trade/Technician/ Fresher/ skill-certificate holder which constitutes 11.76% of the total workforce. The apprentices were imparted practical inputs with a structured monitoring and assessment methodology.

Employee Strength (in nos.)



The Company scrupulously follows the Presidential Directives and guidelines issued by the Government of India regarding the reservation in services for SC / ST / OBC / PwBD (Persons with Benchmark Disabilities) / Ex-servicemen / Economically Weaker Sections (EWSs) to promote inclusive growth. Rosters are maintained as per the directives and are regularly inspected by the Liaison Officer(s) of the Company as well as the Liaison Officer of the Government of India to ensure proper compliance. Grievance / Complaint Registers are also maintained at Division / Region / Unit levels for registering grievances from OBC / SC / ST employees and efforts are made to promptly dispose of the representations/grievances received. In accordance with the Presidential Directive, the details of representation of SC / ST / OBC in the prescribed format are attached as **Annexure – I** to this Report.

The provisions of 4% reservation for persons with disabilities in line with the Government of India's guidelines/ instructions were implemented by the Company. Necessary concessions/ relaxations in accordance with the rules in this regard were extended to physically challenged persons in recruitment. The number of differently abled employees as on March 31, 2022 was 710, constituting 2.27% of the total employee strength.

During the year, cordial industrial relations were maintained across the Company. The Company provides comprehensive welfare facilities to its employees to take care of their health, efficiency, economic betterment, etc., and to enable them to give their best at the workplace. The Company supports participative culture in the management of the enterprise and has adopted a consultative approach with collectives, establishing a harmonious relationship for industrial peace, thereby leading to higher productivity.



The greatest assets of IndianOil – IndianOilPeople

In August 2021, the Skill Development Institute (SDI), Bhubaneswar was dedicated to the nation and foundation stone of the permanent campus, ICT-IOC Bhubaneswar was laid. The details of Skill Development initiatives at SDI are provided in CSR report.

The frontiers of learning continued to expand during the year. The e-learning initiative of IndianOil, 'Swadhyaya' registered a significant milestone of one-million course completion. New initiatives like "Saarthi" - a one-on-one Leadership Coaching initiative and "Madhyama" - a mid-career training programme were launched during the year. To further enhance the learning of employees, IndianOil procured "Harvard ManageMentor" - an off-the-shelf online resource that provides expert content on leadership competencies.

National Commitment during Covid-19 Pandemic

Standing tall with its motto of "Pehle Indian, Phir Oil", your Company remained resilient, strong, agile and took several initiatives amidst all the challenges posed by the Covid-19 pandemic to meet our customers' needs. In the face of a massive surge in demand for Medical Grade Oxygen during the second wave of the Covid-19 pandemic, your company with its strong end to end logistics capabilities, ensured supply of Liquid Oxygen to various States. Under the aegis of GOI, the company supplied 200 MT Liquid Medical Oxygen (LMO) to Vietnam and Indonesia. To help the country to overcome the deficit of Liquid oxygen Tankers, the Cryogenic group of the company designed and manufactured 20 nos. of LOx tankers (20 MT) to combat Covid's second wave in record time. In addition to ramping-up indigenous production of Liquid Oxygen at refineries, the company also imported 420 MT of LMO from Linde Singapore and Middle East and arranged logistics for LMO and ISO containers received as gratis from other countries. True to its national commitment your company took various other initiatives under CSR (Corporate Social Responsibility) to help the society in facing the challenges posed by the pandemic.

As a socially responsible organisation, we carried out a massive vaccination program with renewed vigour by taking initiatives like 'Mission Vaccination' wherein free vaccination was provided to more than 5 lakh beneficiaries including employees, ex-employees, channel partners, stakeholders, contract workers and their family members. The pandemic has also left an indelible mark on the company as the life of some of the previous employees were also lost. As a mark of support to the bereaved families of such employees who expired during these difficult times of pandemic, a lumpsum amount as "Samvedna Rashi" was provided. In addition, the children who are orphaned after the death of the employee in cases where the employee was a single parent or the spouse expired before exercising any rehabilitation option, to ensure continuity of education of such child(ren), "Shiksha Mitra" scheme has been introduced which shall provide financial assistance for their education. To address the concerns related to employee well-being, especially in the post-Covid scenario, an Employee Assistance Programme was launched on September 1 on the 62nd IndianOil Day, to provide support and guidance to employees in dealing with issues and complications that could adversely affect their wellbeing.

Particulars of Employees

The provisions of Section 134(3)(e) of the Act are not applicable to a Government Company. Consequently, details on Company's policy on Directors' appointment and other matters as required under Section 178 (3) of the Act, are not provided.

Similarly, Section 197 of the Act is also exempt for a Government Company. Consequently, there is no requirement of disclosure of the ratio of the remuneration of each Director to the median employee's remuneration and other such details, including the statement showing the names and other particulars of every employee of the Company, who if employed throughout / part of the financial year, was in receipt of remuneration in excess of the limits set out in the Rules are not provided in terms of Section 197 (12) of the Act read with Rule 5 (1) / (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Hindi Implementation

The Company is committed to implementing Hindi in the day-to-day functioning at its various offices/ locations/units. The provisions of the Official Language Act, 1963, and Rules notified thereunder were complied with. The communications received in Hindi including any application, appeal or representation written or signed by an employee in Hindi are replied to in Hindi. Official Language Implementation Committees (OLIC) have been formed in all offices/units to review the progress of implementation of official language policies.

Corporate Social Responsibility

During the year, the Company undertook various CSR initiatives to overcome the challenges posed by the Covid-19 pandemic like Installation of Medical grade Oxygen Generation Units; supply of medical grade liquid oxygen to various hospitals in Delhi, Haryana and Punjab; procurement of oxygen concentrators & cylinders; contributions to the PM CARES Fund, etc., in addition to various other CSR activities. During the year, as against the CSR budget of ₹ 204.77 crore (2% of the average profit of the previous three years ₹ 323.14 crore minus excess spent in previous year ₹ 118.37 crore), the Company spent a higher sum of ₹ 298.29 crore to ensure continuity in the planned CSR activities including many flagship projects resulting in carry over of ₹ 93.52 crore for setting off in succeeding years. A report on the Company's CSR activities as per the provisions of the Companies Act, along with CSR highlights for the year is attached as **Annexure - II** to the Report. The CSR policy of the Company can be accessed on the Company website: https://www.iocl.com/download/IOC_S&CSR_Policy.pdf.

Right to Information Act (RTI)

The Company has put in place an elaborate mechanism to deal with matters relating the Right to Information Act, 2005. Detailed information is hosted and regularly updated on the official website of the Company, www.iocl.com, which inter-alia includes details of Central Public Information Officers (CPIOs) / Assistant Public Information Officers (APIOs), third-party audited reports on mandatory disclosures, etc.

The Company has designated a Nodal Officer at its Corporate Office, New Delhi. In addition, 30 First Appellate Authorities, 40 CPIOs and 40 APIOs have been designated across various locations. The Company has aligned with the Online RTI Portal of DoPT, Government of India, and all applications / appeals received through the portal are handled through the portal itself. The quarterly / annual reports are submitted, within the prescribed timeline, on the website of Central Information Commission, https://cic.gov.in/.

During the year, 6,811 requests and 725 first appeals were received and disposed-off within the prescribed timelines. In addition, 127 second appeals were filed before the Central Information Commission, New Delhi, and all were disposed off without any observation or penalty / disciplinary action.

Compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, have been implemented across the Company with clear objective of providing protection to women against sexual harassment at the workplace and for the prevention and redressal of complaints of sexual harassment. Internal Committees have been set up at every Unit/Region/Head Office level, headed by senior-level women employee to deal with sexual harassment complaints, if any.

Two complaints of sexual harassment were pending as on April 1, 2021. During 2021-22, nine complaints were received, and five complaints were disposed off. As on March 31, 2022, six complaints are pending.

Regular workshops are held especially for women employees to bring awareness about their rights and facilities at workplace and emphasising the provisions of the Act. During the year, 64 workshops/awareness programmes were conducted. Gender sensitisation programmes for the male employees are also conducted regularly. Newly recruited employees in the Company are made aware of the provisions of the Act and the measures adopted by the Company to prevent such incidents.

Vigilance

The objective of the vigilance function is to ensure maintenance of the highest level of integrity in the Company. The Company has a separate Vigilance Department, which is headed by the Chief Vigilance Officer. The department acts as a link between the Company and Chief Vigilance Commissioner and advises



the Company on all matters pertaining to the subject. The vigilance department takes preventive, punitive and participative measures, with emphasis on the preventive and participative aspects, and helps in establishing effective internal control systems and procedures for minimising systemic failures. During the year, 102 vigilance awareness/vigilance related programmes were conducted, which were attended by about 4,404 employees. Disciplinary action under applicable Conduct, Discipline and Appeal Rules, 1980, and Certified Standing Orders were taken by the Company for irregularities / lapses. During the year, 57 disciplinary matters related to vigilance cases were disposed of and 27 such cases were pending at the end of year. The cases pertain to irregularities such as indiscipline, dishonesty, negligence in performance of duty or neglect of work, etc. The Company continuously endeavours to ensure fair and transparent transactions through technology interventions and system / process review in consultation with the Central Vigilance Commission and internal vigilance set-up.

Public Deposit Scheme

The Public Deposit Scheme of the Company was closed with effect from August 31, 2009. The Company has not invited any deposits from the public during the year and no deposits are outstanding as on March 31, 2022, except the old cases amounting to ₹ 55,000, which remain unpaid due to unsettled legal/court cases.

Corporate Governance

Your Company always endeavours to adhere to the highest standards of corporate governance, which are within the control of the Company. A comprehensive Report on Corporate Governance inter-alia highlighting the endeavours of the Company in ensuring transparency, integrity and accountability in its functioning has been incorporated as a separate section, forming a part of the Annual Report. The certificate issued by the Statutory Auditors on Compliance with Corporate Governance guidelines is annexed to the Report on Corporate Governance.

Management's Discussion & Analysis Report

The Management's Discussion and Analysis (MDA) Report, as required under Corporate Governance guidelines, has also been incorporated as a separate section forming a part of the Annual Report.

Business Responsibility & Sustainability Report

IndianOil has been publishing its Business Responsibility Report, providing information on the various initiatives taken with respect to environmental, social and governance perspectives, in accordance with the directives of SEBI and is hosted on the website of the Company.

SEBI vide notification issued in May 2021 has introduced a new sustainability related report "Business Responsibility and Sustainability Report" (BRSR), which would replace the existing "Business Responsibility Report" (BRR). The BRSR is a notable departure from the existing BRR and a significant step towards bringing sustainability reporting at par with the financial reporting. Even though, the BRSR is voluntary for the year 2021-22, your Company has decided to publish the BRSR which is hosted on the website on the Company on the link https://www.iocl.com/business-responsibility-report.

Audit Committee

The Audit Committee of the Board comprised of four members as on March 31, 2022, of whom three were Independent Directors (including its Chairman) and one non-executive Director. The observations / recommendations made by the Audit Committee during the year were put up to the Board and the same were accepted by the Board. Other details of the Audit Committee, such as its composition, terms of reference, meetings held, etc., are provided in the Corporate Governance Report.

Other Board Committees

The details of other Board Committees, their composition and meetings, are also provided in the Corporate Governance Report.

Code of Conduct

The Board of the Company has enunciated a Code of Conduct for the Directors and Senior Management Personnel, which was circulated to all concerned and was also hosted on the Company's website. The Directors and Senior Management Personnel have affirmed compliance with the code of conduct for the financial year 2021-22.

Risk Management

The Enterprise Risk Management framework in the Company encompasses practices relating to risk identification, assessment and categorisation, analysis, mitigation and monitoring of the strategic, operational, and legal and compliance risks to achieving its key business objectives. Your Company endeavours to minimise the adverse impact of these risks, thus enabling the Company to leverage market opportunities effectively and enhance its long-term competitive advantage. The focus of risk management is to assess risks and deploy mitigation measures.

A Risk Management Compliance Board (RMCB) comprising senior management personnel and headed by Chief Risk Officer periodically reviews the various risks associated with the Company's business. The Company has constituted a Risk Management Committee (RMC) which oversee risk management activities. All changes in the Risk register as suggested by RMCB are made after approval of RMC. A report is, thereafter, put up to the Audit Committee and the Board.

Internal Financial Controls

The Company put in place adequate internal financial controls for ensuring efficient conduct of its business in adherence with laid-down policies; safeguarding of its assets; prevention and detection of frauds and errors; accuracy and completeness of the accounting records; and timely preparation of reliable financial information, which is commensurate with the operations of the Company.

The Company has a separate Internal Audit department headed by a Chief General Manager, who reports to the Chairman. The Internal Audit department has a mix of officials from finance and technical functions, who carry out extensive audit throughout the year. The statutory auditors are also required to issue the Independent Auditor's Report on the Internal Financial Controls over financial reporting of the Company under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act 2013. The report issued thereupon has been attached along with the Standalone and Consolidated Financial Statements, respectively.

The Board believes that systems in place provide a reasonable assurance that the Company's internal financial controls are designed effectively and are operating as intended.

Statutory Auditors

The Office of the Comptroller & Auditor General of India had appointed the Statutory Auditors for the financial year 2021-22. The Auditors have confirmed that they are not disqualified from being appointed as Auditors of the Company. The Notes on the financial statement referred to in the Auditors' Report are self-explanatory. The Auditors' Report does not contain any qualification or adverse remark. In addition, the Company has also engaged them for Limited Review and Tax Audit for the financial year 2021-22.

The Auditors' remuneration for the year was fixed at ₹ 2.60 crore, ₹ 1.40 crore and ₹ 0.50 crore for Statutory Audit, Limited review, and Tax Audit respectively along with applicable taxes and reasonable out of pocket expenses. In addition, fee was paid to Statutory Auditors for other certification jobs. The total amount paid / payable to the Statutory Auditors for all services rendered to the Company during 2021-22 was ₹ 5.11 crore.

Comptroller and Auditor General of India (C&AG) Audit

Supplementary Audit of Financial Statements: The Standalone and Consolidated Financial Statement for the Financial Year ended March 31, 2022, were submitted to the C&AG for supplementary audit. The C&AG have conducted supplementary audit and issued NIL comments. The NIL comment certificate is attached in this Annual Report after the Financial Statements. This is the 16th consecutive year that your company has received such NIL comment on its Financial Statement.

C&AG paras from other audits: In addition to the supplementary audit of the financial statements mentioned above, the C&AG conducts audits of various nature including Inspection audit, Thematic audit, Proprietary audit, etc. As on March 31, 2022, there are sixteen pending audit paras on various subjects including Short realisation from Disposal of a land, Abandoned Exploration & Production (E&P) Project, Maintenance of grade wise costing of Petrochemicals, Extra cost due to delay in finalisation of tender, Pradhan Mantri Ujjwala Yojna (PMUY) to unentitled persons, Avoidable entry tax, Updation of daily price change at Retail Outlets, Recovery of turnover tax, Expenditure turning infructuous due to non-adherence pollution clearance requirement and employee benefits like EPF contribution on leave encashment, Encashment of Earned leave and sick leave, Stagnation Relief, Performance Related Pay, Shift allowance, Project Allowances, Long Service Award. The replies to these paras have been submitted and the status reports are also being furnished from time to time.

Cost Audit

The Company maintains cost records as required under the provisions of the Companies Act. The Company had appointed Cost Auditors for conducting the audit of the cost records maintained by its refineries, lube blending plants and other units for 2021-22. A remuneration of ₹ 20.20 lakh and applicable taxes was fixed by the Board for payment to the cost auditors for 2021-22, which was ratified by the shareholders in the last AGM. The cost audit reports are filed by the Central Cost Auditor with the Central Government in the prescribed form within the stipulated time.

Secretarial Audit

The Board had appointed Mehta & Mehta, Company Secretaries, to conduct the Secretarial Audit for 2021-22. The Secretarial Auditor in their report have stated that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., except as under:

- the requirement of having not less than 50% of the Board of Directors as Non-Executive Directors for the period 01.04.2021 to 23.11.2021.
- the requirement of having at least half of the Board of Directors as Independent Director for the period 01.04.2021 to 23.11.2021 and 07.02.2022 to 31.03.2022.
- the requirement of having atleast two- third of the members of the Audit Committee as Independent Directors for the period 11.07.2021 to 23.11.2021.
- the requirement of having atleast fifty percent of the members of the Nomination & Remuneration Committee as Independent Directors for the period 11.07.2021 to 23.11.2021.
- performance evaluation of Independent Directors by the entire Board of Directors and review of performance of Non-Independent Directors, the Board of Directors as a whole and the Chairperson of the Company by the Independent Directors.

In this regard, it is clarified that the Company being a Government Company under the administrative control of the Ministry of Petroleum & Natural Gas, the selection, appointment of Directors, (including Independent Directors and Women Directors) terms and conditions and remuneration of functional directors, vests with the Government of India as per Government guidelines. Further, the Ministry of Corporate Affairs, vide notification dated June 5, 2015, has provided exemption to Government Companies, regarding the provisions related to evaluation of performance of Directors under the Companies Act, 2013, as the evaluation is carried out by the administrative ministry.

The Secretarial Audit report for the year ended March 31, 2022, issued by Mehta & Mehta, Company Secretaries, is attached as **Annexure - III** to this report.

Reporting of Frauds by Auditors

The Auditors in their report for the year have not reported any instance of fraud committed by the officers/employees of the Company.

Public Procurement Policy for Micro and Small Enterprises (MSEs) Order 2012

In line with the Public Procurement Policy of the Government of India, as amended, the Company is required to procure minimum 25% of the total procurement of Goods and Services from MSEs, out of which 4% is earmarked for procurement from MSEs owned by SC/ ST entrepreneurs and 3% from MSEs owned by women. The procurement from MSEs (excluding crude oil, petroleum products and natural gas, API line pipes and certain proprietary items) during 2021-22 was as under:

PARAMETERS	TARGETS	ACTUAL
Total Procurement from MSEs (General, Reserved SC/ST & Women)	25%	37.43%
Procurement from Reserved SC/ST MSEs	4% (Sub-target out of 25%)	1.08%
Procurement from Women-owned MSEs	3% (Sub-target out of 25%)	0.31%

The deficit of 2.92% and 2.69% under the sub-targets was due to non-availability of vendors in the sub-category; however, the overall target was achieved by procurement from other micro and small enterprises in line with the policy.

Several initiatives were undertaken by the Company to identify the entrepreneurs for procurement of goods and services from MSEs owned by SC/ST enterprises, including 86 vendor development programmes.

Subsidiaries, Joint Ventures & Associates

During 2021-22, the Company acquired 49% equity stake in Paradeep Plastic Park Ltd., a company established for development and implementation of Paradeep Plastic Park project. Odisha Industrial Development Corporation holds the balance 51% equity in the company.

Further, Indian Catalyst Private Ltd., a wholly owned subsidiary, was dissolved and name of the company was struck off from the Register of Companies w.e.f 25.10.2021.

As required under the provisions of the Companies Act, 2013, a statement on the performance and financial position of each of the subsidiaries, joint venture companies and associates is annexed to the Consolidated Financial Statements. The financial statements of the subsidiaries have also been hosted on the Company website www.iocl.com under the 'Financial Performance' section.

In accordance with the provisions of SEBI guidelines, your Company has framed a policy for determining material subsidiaries, which can be accessed on the Company's website at https:///www.iocl.com/download/Material_Subsidiary_Policy.pdf



IndianOil (Mauritius) Limited, an IndianOil subsidiary, has presence in aviation, bunkering, fuel retailing, lubricants, among others

Related Party Transactions (RPTs)

During the year, your Company entered into RPTs, which were on arm's length basis and were in the ordinary course of business. As required under the provisions of the Companies Act, 2013, and SEBI (LODR), all RPTs were approved by the Audit Committee.

During the year, the Company had not entered into any transaction with related parties, which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

In view thereof, there is no transaction which needs to be reported in Form No. AOC-2, in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Pursuant to SEBI notification dated 09.11 2021, the Company amended the "Policy on Materiality of Related Party Transactions". The Policy is hosted on the Company's website and can be accessed at: https://www.iocl.com/download/Policies/RPT_Policy.pdf.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Energy conservation is accorded utmost importance across the various operations in the Company. The performance of all units is monitored on a continuous basis and efforts are made for continuous improvement by incorporating the latest technologies and global best practices. The various energy conservation measures implemented across the refineries during the year, resulted in energy saving as well as monetary saving.

In accordance with the provisions of the Companies Act, 2013, and rules notified thereunder, the details relating to Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo are annexed as **Annexure - IV** to the Report.

Board of Directors & Key Managerial Personnel

The following changes occurred in the Board / Key Managerial Personnel of the Company:

1. Shri G. K. Satish, Director (Planning & Business Development) ceased to be a Director w.e.f. September 1, 2021 consequent upon his superannuation.
2. Smt Indrani Kaushal, Government Nominee Director ceased to be a Director w.e.f. September 25, 2021 consequent upon withdrawal of her nomination by the MoP&NG.
3. Shri V. Satish Kumar was appointed as Director (Marketing) w.e.f. October 28, 2021
4. Shri Dilip Gogoi Lalung, Dr Ashutosh Pant, Dr Dattatreya Rao Sirpurker, Shri Prasenjit Biswas, Shri Sudipta Kumar Ray and Shri Krishnan Sadagopan were appointed as Independent Directors w.e.f. November 24, 2021.
5. Shri D. S. Nanaware was appointed as Director (Pipelines) w.e.f. December 28, 2021.
6. Ms Sukla Mistry was appointed as Director (Refineries) w.e.f. February 7, 2022.
7. Shri Sujoy Choudhury was appointed as Director (Planning & Business Development) w.e.f. February 23, 2022.
8. Dr (Prof) Ram Naresh Singh was appointed as Independent Director w.e.f. April 8, 2022.

In line with the amended SEBI (LODR), approval of members was obtained through postal ballot for all appointments made on the Board within a period of 3 months from the date of appointment.

Shri Sandeep Kumar Gupta, Director (Finance) and Dr S.S.V. Ramakumar, Director (Research & Development) are liable to retire by rotation and being eligible are proposed to be re-appointed at the forthcoming Annual General Meeting (AGM). Their brief profile is provided in the notice of the AGM.

Independent Directors

The Company has received the Certificate of Independence from the Independent Directors confirming that they meet the criteria prescribed for Independent Directors under the provisions of the Companies Act, 2013, and SEBI (LODR). The Independent Directors have confirmed that they are registered with the Database maintained by the Indian Institute of Corporate Affairs (IICA) under the Ministry of Corporate Affairs.

The Company being a Government Company, the power to appoint Directors (including Independent Directors) vests with the Government of India. The Directors are appointed by following a process as per laid down guidelines. In the opinion of the Board, the Independent Directors have the requisite expertise and experience.

A separate meeting of Independent Directors was held during the year as per provisions of the Companies Act, 2013, and SEBI (LODR).

Board Meetings

During the year, 9 meetings of the Board of Directors were held. The details of the meetings attended by each Director are provided in the Corporate Governance Report and, hence, not repeated to avoid duplication.

Board Evaluation

The provisions of Section 134(3)(p) of the Companies Act, 2013, require a listed entity to include a statement indicating the manner of formal evaluation of performance of the Board, its Committees and of individual Directors. However, the said provisions are exempt for Government Companies as the performance evaluation of the Directors is carried out by the administrative ministry, i.e., Ministry of Petroleum and Natural Gas (MoP&NG), as per laid-down evaluation methodology.

Significant and Material Orders Passed by the Regulators or Courts

No significant and material orders were passed by the regulators or courts or tribunals, during the year that impact the going concern status of the Company and its operations in the future.

Vigil Mechanism / Whistle-Blower Policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has established a robust Vigil Mechanism and a whistle-blower policy in accordance with provisions of the Act and Listing Regulations. Under the whistle-blower policy, employees are free to report any improper activity resulting in violation of laws, rules, regulations, or code of conduct by any of the employees to the Competent Authority or Chairman of the Audit Committee, as the case may be. Any complaint received is reviewed by the Competent Authority or Chairman of the Audit Committee as the case may be. No employee has been denied access to the Audit Committee. The policy on Vigil Mechanism/Whistle-Blower can be accessed on the Company's website at: https://www.iocl.com/InvestorCenter/pdf/Whistle_Blower_policy.pdf.

Details of Loans / Investments / Guarantees

The Company has provided loans / guarantees to its subsidiaries, joint ventures and associates and has made investments during the year in compliance with the provisions of the Companies Act, 2013, and rules notified thereunder. The details of such investments made, and loans / guarantees provided as on March 31, 2022 are provided in Note No.4, 36, 37 and 42 of the Standalone Financial Statement.

Annual Return

As required under the provisions of the Companies Act, 2013, the Annual Return is hosted on the Company's website and can be accessed from the link: https://www.iocl.com/annual-return.

Compliance with Secretarial Standards

The Company complies with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

Credit Rating of Securities

The credit rating assigned by rating agencies for the various debt instruments of the Company is provided in the Corporate Governance Report.

Investor Education & Protection Fund (IEPF)

The details of unpaid / unclaimed dividend and shares transferred to the IEPF in compliance with the provisions of the Companies Act, 2013, has been provided in the Corporate Governance Report.

Material Changes Affecting the Company

There have been no material changes and commitments, affecting the financial position of the company between the end of the financial year and date of this report. There has been no change in the nature of the business of the Company.

Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013 pertaining to the Directors' Responsibility Statement, it is hereby confirmed that:

(a) in the preparation of the Annual Accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis; and

(e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgements

The Board of Directors would like to express its appreciation for the sincere, dedicated and untiring efforts of the employees of the Company, the contract labour, and employees of business channel partners to ensure the supply of petroleum products across the country during the lockdown and restrictions caused by the Covid-19 pandemic, and for achieving an excellent performance despite challenges during the year. The Board would also like to thank the Government of India, particularly the Ministry of Petroleum & Natural Gas, as well as the various State Governments, regulatory and statutory authorities, for their support as well as guidance from time to time. The Board is also thankful to all its stakeholders, including bankers, investors, members, customers, consultants, technology licensors, contractors, vendors, etc., for their continued support and confidence reposed in the Company. The Board would like to place on record its appreciation for the valuable guidance and significant contribution made by Shri G. K. Satish and Smt Indrani Kaushal, during their tenure on the Board of the Company.

For and on behalf of the Board

Sd/-
(Shrikant Madhav Vaidya)
Chairman
DIN: 06995642

Place: New Delhi
Date: July 28, 2022

Annexure-I

SC / ST / OBC Report - I

Annual Statement showing the representation of SCs, STs and OBCs as on January 1, 2022 and number of appointments made during the preceding calendar year

Name of the Public Enterprises : **Indian Oil Corporation Limited**

Groups	Representation of SCs / STs / OBCs (As on 01.01.2022)				Number of appointments made during the calendar year 2021									
					By Direct Recruitment				By Promotion			By Deputation / Absorption		
	Total No. of Employees	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Executives														
A	18084	3065	1354	4425	1020	173	81	338	3571	377	177	2	-	-
Non-executives														
B	4908	791	509	538	-	-	-	-	732	81	53	2	1	-
C	8077	1461	625	2552	407	61	35	181	2019	328	123	1	-	-
D (Excluding Sweeper)	352	55	21	103	24	3	3	7	-	-	-	-	-	-
D (Sweeper)	6	3	-	-	-	-	-	-	-	-	-	-	-	-
Total (Executives plus Non-Executives)	**31427**	**5375**	**2509**	**7618**	**1451**	**237**	**119**	**526**	**6322**	**786**	**353**	**5**	**1**	**-**

SC / ST / OBC Report - II

Annual Statement showing the representation of SCs, STs and OBCs in various group A services as on January 1, 2022 and number of appointments made in the service in various grades in the preceding calendar year

Pay Scale (in ₹)	Representation of SCs / STs / OBCs (As on 01.01.2022)				Number of appointments made during the calendar year 2021									
					By Direct Recruitment				By Promotion			By Deputation / Absorption		
	Total No. of Employees	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
40000 - 140000	26	4	-	7	26	4	-	9	-	-	-	-	-	-
50000 -160000	1702	316	120	513	982	169	80	326	63	13	4	-	-	-
60000 - 180000	2347	363	175	687	8	-	1	2	-	-	-	-	-	-
70000 - 200000	4768	747	362	1481	1	-	-	1	1252	137	74	-	-	-
80000 - 220000	3539	600	236	875	No recruitment is made in this Group.				740	59	26	-	-	-
90000 - 240000	2094	389	184	420	2	-	-	-	619	100	38	-	-	-
100000 - 260000	1358	264	126	262	1	-	-	-	299	26	18	-	-	-
120000 - 280000	1213	240	99	150	No recruitment is made in this Group.				274	15	5	-	-	-
120000 - 280000	692	105	41	25	No recruitment is made in this Group.				189	16	6	-	-	-
120000 - 280000	261	32	10	4	No recruitment is made in this Group.				98	10	5	2	-	-
150000 - 300000	84	5	1	1	No recruitment is made in this Group.				37	1	1	-	-	-
Grand Total	**18084**	**3065**	**1354**	**4425**	**1020**	**173**	**81**	**338**	**3571**	**377**	**177**	**2**	**-**	**-**

Annexure - II

Highlights of CSR Activities

IndianOil's CSR objective is enshrined in its Vision / Mission statement - "...to help enrich the quality of life of the community and preserve ecological balance and heritage through a strong environment conscience...". IndianOil's CSR thrust areas include 'Safe drinking water and protection of water resources', 'Healthcare and sanitation', 'Education and employment-enhancing vocational skills', 'Rural development', 'Environment sustainability', 'Empowerment of women and socially / economically backward groups', etc. The CSR activities are undertaken primarily to improve the quality of life in various communities, including marginalised & underprivileged sections of the society viz., scheduled caste, scheduled tribe, other backward class, physically handicapped, etc.,

Being a responsible corporate, IndianOil not only ensured continuous supply of essential petroleum products and services across the nation, but also enhanced the CSR allocation beyond the prescribed CSR budget (i.e. 2% of average net profit of the immediately preceding 3 financial years) as required under the provisions of the Companies Act, 2013. Moreover, IndianOil has exemplified its CSR commitment by utilising 100% CSR budget allocation for the fifth year in a row. The Company has patronised / sponsored many life-changing community development projects and has positively impacted numerous stakeholders with about 500 projects across the length and breadth of the country.

IndianOil spent ₹ 194.72 crore (which is 65% of total CSR expenditure) on thematic area i.e. Health and Nutrition, with special focus on Covid related measures including setting up makeshift hospitals and temporary Covid Care facilities during 2021-22, in compliance with the Department of Public Enterprises (DPE) guidelines for CSR Expenditure by Central Public Sector Enterprises (CPSE). As against the 18 Aspirational Districts allotted by DPE, the Company spent ₹ 18.43 crore in 36 Aspirational Districts during 2021-22.

KEY CSR INITIATIVES DURING 2021-22

The details of major CSR activities during the year are as under:

To combat Covid-19 Pandemic

As a major CSR initiative, IndianOil:

- Contributed ₹ 40 crore towards PM CARES Fund;
- Supplied 152 MT of medical grade liquid oxygen to various hospitals in Delhi, Haryana and Punjab;
- Contributed towards procurement of 2000 Oxygen Concentrator and 4000 Oxygen Cylinders to meet the demand of oxygen during peak of 2nd wave of Covid-19;
- Supported Installation of 12 Medical grade Oxygen Generation Units (capacity of 960 liter per minute each) based on technology developed by DRDO in Hospitals of 3 states viz. Odisha (five Plants), Uttar Pradesh (four plants) and Madhya Pradesh (three Plants);



In the backdrop of an acute oxygen availability crisis in the country during Covid-19 pandemic, IndianOil set up Pressure Swing Adsorption (PSA) medical oxygen generation plants at different locations

IndianOil Vidushi

IndianOil Vidushi project, started in 2018, truly epitomises the saying "When you invest in a girl's education, she feeds herself, her children, her community and her nation". (Ex-Prime Minister Erna Solberg of Norway). Under this CSR initiatve, specialised coaching and mentoring is provided to under-privileged girls after class XII, to help them succeed in JEE Mains, JEE Advanced & other Central and State Engineering College Entrance Examinations. Till 2019-20, a maximum of 30 girls were selected for each of the 4 residential centres at Noida, Bhubaneswar, Patna and Jaipur through written tests and personal interviews, on merit–cum-means basis. The entire cost for specialised coaching, study material, boarding, food & other consumables, blankets, hygiene kits, dresses, health insurance etc. is borne by IndianOil. However, due to the restriction of Covid-19 pandemic in 2020-21, online classes were started for 120 girls from two centres. Out of the 120 girls enrolled in 2020-21, 14 students got selected in IITs, 18 in NITs and 64 students in various other Engineering colleges. For the 120 girl students enrolled in 2021-22, online classes are being conducted from 2 centres at Jaipur & Bhubaneswar. Scholarship is also given to students after getting admission in IITs / NITs / government engineering colleges, for four year graduate programs (₹ 5,000 per month for IITs / NITs; ₹ 4,000 per month for other government engineering colleges).



Students of the IndianOil Vidushi programme, Bhubaneswar Centre receiving laptops and accessories for online classes

Skill Development Institute, Bhubaneswar, Odisha

Skill Development Institute, Bhubaneswar (SDI-B) was set up on May 9, 2016 in a temporary campus with an aim to provide livelihood enhancing skill development training to unemployed & underprivileged youth and to provide skilled human resources to the industry. SDI Main Campus was inaugurated by Union Minister of Petroleum & Natural Gas & Steel on February 24, 2019. The multi skilling institute (green campus), offering international standards of training, is imparting world class skill development courses, supported by industry experts. SDI-B prepares students with adequate skills for pursuing careers as Industrial Electricians, Welders, Computer Data Application (only for girls), Fitter Fabrication, Instrumentation Technicians, Pipe Fitters (City Gas Distribution), Solar PV Installation and LPG Mechanics. About 390 students are enrolled in a single batch of 13 trade courses. The course duration ranges between three and six months. During 2021-22, 284 youth were skilled and certified. Since inception, 1854 youth have been trained under various trades. Various Centres of Excellence (CoE) have been established in collaboration with internationally reputed institutions / industry partners such as Schneider Electric, Cisco, Intel, Siemens, Kemppi, etc., to provide relevant skill development training with high potential for generating employment. Once fully functional, about 3,000 to 4,000 youth will be trained every year in 16 regular trades pertaining to the hydrocarbon sector and local industries.



Skill Development Institute, Bhubaneswar- Students attending training classes

IndianOil Aarogyam

'IndianOil Aarogyam' a flagship CSR project was initiated in 2018-19 with the objective to provide primary healthcare at people's doorstep, particularly in rural and under-served areas. Twelve Mobile Medical Units (MMU), each with a four-member medical team consisting of one Doctor, one Nurse, one Nursing attendant and one Driver-Cum-Community mobiliser have been operating in the catchment areas of three Refinery Units, i.e., Mathura (Uttar Pradesh), Bongaigaon (Assam) & Paradip (Odisha). The MMUs conduct health screening, basic diagnosis and provide medical treatment. The MMUs cover more than 140 villages near the three Refineries. During 2021-22, patient footfall in the target geographies was around 2.72 lakh, out of which about 1.38 were female patients.



MMU treating patients at Village Biswali, District: Jagatsinghpur, Odisha

Assam Oil School of Nursing, Digboi, Assam

India has an average of 1.7 nurses for every 1,000 people, 43% less than the World Health Organisation norm (3 per 1,000). India needs 20 lakh nursing personnels to fill this wide gap. The Covid-19 pandemic has further increased the requirement for qualified nursing personnel. The Assam Oil School of Nursing (AOSN), Digboi was established with the dual objective of providing stable career and livelihood opportunities to young underprivileged girls and ensure availability of qualified nurses in the country. AOSN offers a three-year diploma in General Nursing and Midwifery (GNM) to young girls and enrols 30 students every year. For the four-year B.Sc. (Nursing) course, 30 students are offered admission every year (since 2014). Since inception, 497 students have completed the GNM course and 119 students have completed the B.Sc. (Nursing) course with 100% placement record.



Students at Assam Oil School of Nursing, Digboi, Assam

Institute of Chemical Technology, Mumbai-IndianOil Odisha Campus (ICTM-IOC), Bhubaneswar, Odisha

In a first-of-its-kind initiative, IndianOil collaborated with Institute of Chemical Technology, Mumbai to set-up an off-campus of the Institute of Chemical Technology, Mumbai at Bhubaneswar. The institute christened as 'ICT Mumbai IndianOil Odisha Campus, Bhubaneswar' (ICTM-IOC), was inaugurated by the Hon'ble President of India in 2018. The institute has been planned to evolve into an R&D / innovation hub to carry out high-end research in chemical engineering, petrochemicals, textiles, pharmaceuticals and energy, to become a world-class Centre of Excellence in Chemical Engineering & Technology. The first academic session started in 2018 with the enrolment of 60 students for the five-year integrated M. Tech Programme. As on 31.03.2022, 231 students are undergoing five-year integrated M. Tech Programme; 48 students are undergoing 2-year full time M. Tech. Programme; 12 industrial personnel are pursuing two-year Executive M. Tech course and 37 students are pursuing their PhD at the Institute.



Institute of Chemical Technology, Mumbai-IndianOil Odisha Campus (ICTM-IOC), Bhubaneswar

Swarna Jayanti Samudayik Hospital, Mathura, Uttar Pradesh

Swarna Jayanti Samudayik Hospital at Mathura (Estd. 1999) is a 50-bed hospital providing medical treatment to residents near Mathura Refinery, Uttar Pradesh. The hospital provides free treatment to the destitute and offers subsidised treatment to others. The hospital also organises various medical camps including sterilisation camps, general check-up camps, eye camps etc. During 2021-22, 41244 patients were treated at the hospital, out of which operative procedures were conducted on 297 patients. During 2nd wave of Covid-19, within a short span of 15 days, hospital was converted into the 104 bedded Covid hospital with oxygen facility.



Swarna Jayanti Samudayik Hospital,Mathura, Uttar Pradesh

Assam Oil Division Hospital, Digboi, Assam

Assam Oil Division Hospital, Digboi (Estd.1906) is a 200-bed hospital with modern facilities. It caters to the population residing near Digboi Refinery and other nearby areas of the Northeast. Every year, about 1 lakh patients are treated at the hospital, including non-employees. The hospital has a bed capacity of 4,000 and can conduct around 2000 operations and surgeries in a year. General as well as specialised health camps are also organised regularly by the hospital to reach out to poor villagers in the vicinity, who otherwise have no access to medical consultations or treatment. During 2021-22, 6,030 non-employee patients were treated at the hospital.



Assam Oil Division Hospital, Digboi, Assam

IndianOil Sports Scholarship Scheme

In line with the sports policy adopted in 1985, IndianOil has, over the years, recruited many promising sportspersons, who excelled at National & International levels and brought laurels to the Company and the Country. The Company had introduced Sports Scholarship Scheme in the year 2006-07 for promising young sports persons representing States in team games and National rank holders. The scheme started with 55 scholarships in seven games / sports. At present, 250 scholarships in 20 games / sports (Olympic sports categories & other popular games such as Hockey, Archery, Table Tennis, Carrom, Chess, etc) are awarded to upcoming junior players from 13 to 16 years of age in two categories viz., Elite Scholar and Scholar. The scholarship amount varies from ₹ 15,000 to ₹ 19,000 per month for Elite Scholars and ₹ 12,000 to ₹ 16,000 per month for Scholars, for a period of three years and covers the cost of kits as well. In addition, IndianOil also provides assistance for their travel and lodging. During 2021-22, 166 sportspersons benefitted from the scheme, out of which 81 were female and since inception, more than 1,000 sportspersons have benefitted from the scholarship.



Sports Scholars: Left to right (Top row): Ridhi Phor (Archery); Esha Singh (Shooting); Astha Choudhary (Swimming); Left to right (Bottom row): Manisha (Wrestling); Simran Chopra (Hockey); Rishab (Archery)

IndianOil Medha Chhattravritti Yojna

Education, especially for women, is a tool which provides knowledge, skill, technique, information and enables them to know their rights and duties towards their family, society as well as the nation. An educated female population increases a country's productivity and fuels economic growth. According to the report "Children in India 2018" released by the Ministry of Statistics and Program implementation, over 30% of girl students drop out of school by the time they get to Class IX and the number rises to 57% in Class XI. The program is aimed to promote education amongst girl child and targets to reduce school dropout cases. The project includes distribution of one time educational scholarships to top 75 girl students of Class X from 30 Boards across the country. During 2021-22, total 1606 number of scholarships were distributed to the girl students, who have topped in Class X (academic session 2020-2021), from 25 Boards.



Medha Chhattravritti Yojna: Distribution of Certificate of Excellence and Scholarship to meritorious Class X students of West Bengal Board

Skill Training for Transgenders

Transgender persons have a gender identity or gender expression that differs from their assigned sex. The lack of social recognition has secluded them from mainstream, they face ostracism from their own families, siblings, and general public throughout their life. They have very little means of livelihood as businesses do not hire them. This results in transgenders getting into begging and prostitution.

With an aim to provide opportunity to transgenders to join mainstream and live the life with dignity, IndianOil in association with Madras Institute of Technology (MIT), Chennai imparted Drone Operations and maintenance training to transgenders. Project included short term English and personality development program for 24 transgender persons. 15 persons were taken on board for the prestigious DGCA approved Remote Pilot Training Program. Drones are being utilised for mosquito control in stagnant water, spraying of insecticides, surveillance & other works as directed by Municipal Corporation. Four transgenders have already been engaged as a Trainee in Centre for Aerospace Research, MIT for drone operation activities.



Traning programme for transgenders including short term English and personality development, drone operations conducted by IndianOil

Establishment of molecular pathology laboratory at Varanasi, UP

To facilitate timely detection and treatment of cancer, IndianOil is supporting Homi Bhabha Cancer Hospital (HBCH), Varanasi and Mahamana Pandit Madan Mohan Malaviya Cancer Centre (MPMMMCC), Varanasi in setting-up a state-of-the-art molecular pathology laboratory. Molecular tests play an important role in cancer detection. Due to the absence of this facility across Eastern UP, samples of patients have to be sent to metro cities such as Mumbai or Delhi, which delays the detection process, now with the help of molecular pathology lab, hospitals will be able to detect cancer at Varanasi itself. The laboratory will also be key to promote academic and research work.

The twin hospitals, MPMMMCC (350 bedded) and HBCH (180 bedded) are committed towards bringing affordable cancer care to the doorstep of the people of Purvanchal and adjoining areas. The catchment area of the hospital comprises far flung areas from states like Uttar Pradesh, Bihar, Chhattisgarh, West Bengal, Madhya Pradesh and Jharkhand.



Molecular pathology laboratory at Varanasi, UP

Distribution of M-Cups to women of Ernakulum District, Kerala

A single commercial sanitary napkin can take more than 500 years to decompose. The used napkins are a big menace for municipal corporations as they reach landfills, buried in pits or are simply burnt. The super-absorbent polymers (SAP) in pads don't decompose easily. They gradually break-down to micro-plastics, which contaminate soil, water, and air.

To reduce the environmental damages caused by sanitary napkins, IndianOil in collaboration with HLL Lifecare Ltd (HLL) distributed M-Cups to 20000 working women under BPL categories and other sectors of Ernakulam District, Kerala. M-Cup is a non-absorbent reusable medical grade silicone cup that collects menstrual blood and is considered a safe alternative to disposable menstrual hygiene products, which may contain chemicals that cause health issues. The M-cups are a much cheaper option as a single cup can be reused for 5 to 10 years.



M-Cup distribution & awareness Kiosks for women at Edappally Kochi Metro Station

Integrated Pottery Development in Tiruvallur under IndianOil CSR

IndianOil partnered with IIT Madras and established a Common Facility Centre (CFC) for Integrated Pottery Development in Perumudivakkam village of Tiruvallur. The project was developed with technology from Rural Technology Action Group (RuTAG) of IIT Madras and was formulated in association with District Administration of Tiruvallur to provide better livelihoods to the potters of this region by integrating their traditional skills with modern technologies. Under the project, 82 participants from nearby villages have been extensively trained on adaption of innovative technology in red clay pottery. The CFC has been equipped with modern infrastructure like ball mill, pug mill, blunger, electric furnace, automatic potter's wheel etc. 16 villagers who got trained in the facility have set up their own enterprise or joined local pottery clusters to further their business. The technique of microwaveable pottery was also imparted to the trainees at the CFC.



Beneficiaries working on pottery making at Common Facility Centre, Perumudivakkam village, Tamil Nadu



The Ecological Park at IndianOil's Bongaigaon Refinery, Assam

ANNUAL REPORT ON CSR ACTIVITIES FOR THE YEAR 2021-22

1. A brief outline of the Company's CSR policy

IndianOil's CSR initiatives are guided by its corporate vision of caring for environment and community. IndianOil believes that CSR is its continuing commitment to conduct business in a responsible and sustainable manner and contribute to the economic well-being of the country. It also helps to improve the quality of life of local communities residing in the vicinity of its establishments and the society at large.

IndianOil's Sustainability & Corporate Social Responsibility (S&CSR) vision is to operate its activities in providing energy solutions to its customers in a manner that is efficient, safe & ethical, which optimises the impact on environment and enhances quality of life of the community, while ensuring sustainable growth of business and the nation.

2. Composition of the CSR & Sustainable Development Committee

Sl. No.	Name of Director / Designation	Committee Position	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms Lata Usendi Independent Director	Chairperson (w.e.f. 15.07.2021)	7	7
2	Dr Dattatreya Rao Sirpurker Independent Director (Member w.e.f. 24.11.2021)	Member (w.e.f. 24.11.2021)	3	3
3	Shri Ranjan Kumar Mohapatra, Director (Human Resources)	Member	10	9
4	Shri Sandeep Kumar Gupta Director (Finance)	Member	10	10
5	Dr S. S. V. Ramakumar Director (Research & Development) & Holding additional charge of Director (Planning & Business Development)	Member (w.e.f. 01.09.2021 and upto 22.02.2022)	4	2
6	Shri V. Satish Kumar Director (Marketing)	Member (w.e.f. 28.10.2021)	4	3
7	Shri Sujoy Choudhury Director (Planning & Business Development)	Member (w.e.f. 23.02.2022)	1	1
8	Shri Rajendra Arlekar Independent Director	Chairperson (upto 10.07.2021)	3	3
9	Shri G. K. Satish Director (Planning & Business Development)	Member (upto 31.08.2021)	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company

Composition of CSR Committee:	https://iocl.com/InvestorCenter/PDF/Board-Committees.pdf
CSR Policy:	https://iocl.com/download/IndianOils_Sustainability_and_CSR_Policy.pdf
CSR projects approved by the Board:	https://iocl.com/pages/board-approved-csr-projects

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)

In pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, Impact Assessment of following projects was conducted through third party:

Sl. No.	Brief about project
1	Establishment of fodder bank at NTR College of Veterinary Science, Gannavaram, Vijayawada, Andhra Pradesh
2	Provision of CBNAAT machine for TB diagnosis at Hospitals under Thane Municipal Corporation, Thane, Maharashtra

Impact Assessment Reports are hosted on the website of company at URL: https://iocl.com/pages/Impact-Assessment-Reports

5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1.	**2021-22**	**118.37 crore**	**118.37 crore**

6. Average net profit of the company as per section 135(5): **₹ 16157.05 crore.**

7. (a)	Two percent of average net profit of the company as per section 135(5)	**₹ 323.14 crore**
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years:	**Nil**
(c)	Amount required to be set-off for the financial year, if any:	**₹ 118.37 crore**
(d)	Total CSR obligation for the financial year (7a+7b-7c):	**₹ 204.77 crore**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year	Amount Spent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 298.29 crore	Nil	NA	Nil	Nil	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: **Annexure - A**

(c) Details of CSR amount spent against other than ongoing projects for the financial year: **Annexure - B**

(d) Amount spent on Administrative Overheads: **₹14.20 crore**

(e) Amount spent on Impact Assessment, if applicable: **₹0.06 crore**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹298.29 crore**

(g) Excess amount for set-off, if any

Sl. No.	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	**₹ 323.14 crore**
(ii)	Total amount spent for the Financial Year (including set-off from previous financial year)	**₹ 416.66 crore**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	**₹ 93.52 crore**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	**Nil**
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	**₹ 93.52 crore**

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years
				Name of the Fund	Amount	Date of transfer	
1	2017-18	Nil	Nil	Nil	Nil	Nil	Nil
2	2018-19	Nil	Nil	Nil	Nil	Nil	Nil
3	2019-20	Nil	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Annexure - C**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

No capital Asset was created / acquired in the books of account of the Company during 2021-22 through CSR Spent.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not applicable

Sd/-
(Ranjan Kumar Mohapatra)
Director (Human Resources) &
Member, CSR&SD Committee

Sd/-
(Lata Usendi)
Independent Director &
Chairperson, CSR&SD Committee

Annexure A

Details of CSR amount spent against "Ongoing Projects" for the financial year 2021-22 (₹ crore)

Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of Project		Project Duration (in years)	Amount allocated for the project	Amount spent in current financial year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation-Direct (Yes/ No)	Mode of Implementation -Through Implementing Agency	
				State/ UT	District						Name	CSR Registration No.
1	Contribution towards Tata Medical Centre for construction of phase-II of Tata Medical Centre Hospital, Kolkata	(i)	Local	West Bengal	Kolkata	10.0	32.00	32.00	Nil	No	Tata Medical Centre Trust (TMCT), Kolkata	CSR00002920
2	Establishment of Centre of Excellence in Oil, Gas & Energy (CEOGE) at IIT-Bombay	(ii)	Other	Maharashtra	Mumbai	4.0	15.61	15.61	Nil	No	IIT Bombay	CSR00007536
3	Procurement of 2000 Oxygen Concentrators	(i), (xii)	Local	All India	All India	0.9	10.95	10.95	Nil	Yes	IOCL	NA
4	Providing cancer equipment at Cancer Care Hospital, Barpeta	(i)	Local	Assam	Barpeta	1.2	7.24	7.24	Nil	No	M/s Tata Education and Development Trusts	CSR00003775
5	Construction of 100 TPD cattle dung-based biogas plant, Jaipur	(iv)	Local	Rajasthan	Jaipur	3.0	7.20	7.20	Nil	Yes	IOCL	NA
6	Operation & Management of Swarn Jayanti Samudayik Hospital, Mathura (U.P.)	(i)	Local	Uttar Pradesh	Mathura	4.0	4.45	4.45	Nil	Yes	IOCL	NA
7	Running expenses for Bongaigaon Higher Secondary School	(ii)	Local	Assam	Chirang	4.0	4.18	4.18	Nil	No	Shrimanta Shankar Academy	CSR00026391
8	Construction of a Multipurpose Hostel cum Indoor Hall at Baripada Stadium, Mayurbhanj, Odisha	(vii)	Other	Odisha	Mayurbhanj	2.0	3.77	3.77	Nil	Yes	IOCL	NA

Details of CSR amount spent against "Ongoing Projects" for the financial year 2021-22 (₹ crore) (Contd..)

Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of Project		Project Duration (in years)	Amount allocated for the project	Amount spent in current financial year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation-Direct (Yes/ No)	Mode of Implementation -Through Implementing Agency	
				State/ UT	District						Name	CSR Registration No.
9	IndianOil ACERS: Providing scholarships to sportspersons	(vii)	Local	All India	All India	3.3	3.46	3.46	Nil	Yes	IOCL	NA
10	Running expenses for non-employee patients at AOD Hospital, Digboi	(i)	Local	Assam	Tinsukia	4.0	3.36	3.36	Nil	Yes	IOCL	NA
11	Running expenses for Assam Oil School of Nursing (AOSN) and Assam Oil College of Nursing (AOCN)	(iii)	Local	Assam	Tinsukia	4.0	3.20	3.20	Nil	Yes	IOCL	NA
12	Construction of 50 community toilet in Tripura	(i)	Other	Tripura	West Tripura	2.8	2.27	2.27	Nil	Yes	IOCL	NA
13	Providing facilities for Yoga & Naturopathy Centre at New Delhi	(i)	Local	Delhi	New Delhi	3.0	2.12	2.12	Nil	Yes	IOCL	NA
14	Construction of Skill Development Academy at Bhopal through Vanvasi Kalyan Parishad	(ii)	Local	Madhya Pradesh	Bhopal	1.8	2.07	2.07	Nil	Yes	IOCL	NA
15	CSR Projects approved by competent Authority having expenditure less than ₹ 2 crore	Various Schedule VII activities	Local & Other Areas both	All India	All India	From less than 1 to 8 years	45.35	45.35	Nil	Direct as well as through implementing agencies	IOCL / Implementing Agencies	NA
						Total	**147.23**	**147.23**				

Note: The above list includes CSR projects which were under implementation before the enactment of Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021

Annexure B

Details of CSR amount spent against Other than "Ongoing Projects" for the financial year 2021-22 (₹ crore)

Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of Project		Amount spent for the project	Mode of Implementation-Direct (Yes/ No)	Mode of Implementation -Through Implementing Agency	
				State	District			Name	CSR Registration No.
1	Contribution to PM-CARES Fund	(viii)	Local	All India	All India	40.00	Yes	IOCL	NA
2	Providing ventilators, monitors and syringe pumps for establishing 100 bedded ICU for treatment of Covid-19 patients at Vikash Multi-Speciality Hospital, Bargarh	(i), (xii)	Local	Odisha	Bargarh	11.29	No	DVR & GRCR Memorial Trust, Bargarh	CSR00003505
3	Contribution towards Institute of Chemical Technology-IOC campus, Bhubaneswar	(ii)	Local	Odisha	Bhubaneswar	10.00	No	Institute of Chemical Technology	CSR00006632
4	Contribution towards PME/ IEC Expenses under PMUY Scheme	(i), (iv)	Local	All India	All India	7.00	Yes	IOCL	NA
5	Procurement of 4000 Oxygen Cylinders with accessories	(i), (xii)	Local	All India	All India	5.43	Yes	IOCL	NA
6	Procurement, Supply Installation, Testing and commissioning of 5 Medical grade oxygen generation unit for hospitals in Odisha	(i), (xii)	Other	Odisha	Puri, Bargargh, Angul, Sambalpur	4.81	Yes	IOCL	NA
7	Procurement, Supply Installation, Testing and commissioning of 4 Medical grade oxygen generation unit for hospitals in Uttar Pradesh	(i), (xii)	Other	Uttar Pradesh	Varanasi, Lucknow, Gorakhpur	3.85	Yes	IOCL	NA
8	Procurement, Supply Installation, Testing and commissioning of 3 Medical grade oxygen generation unit for hospitals in Madhya Pradesh	(i), (xii)	Other	Madhya Pradesh	Shajapur, Rajgarh, Dhar	2.89	Yes	IOCL	NA
9	CSR Projects approved by competent Authority having expenditure less than ₹ 2 crore	Various Schedule VII activities	Local & Other Areas both	All India	All India	51.54	Direct as well as through implementing agencies	IOCL / Implementing Agencies	NA
					Total	**136.80**			

Annexure C

Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) (₹ crore)

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration scheduled (Years)	Total amount allocated for the project	Amount spent on the project in the Reporting Financial year	Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed/ Ongoing
1	Project conceptualised in 2011-12; No expenditure made in 2020-21; Hence no ID generated	Contribution towards Tata Medical Centre for construction of phase-II of Tata Medical Centre Hospital, Kolkata	2011-12	10.00	66.00	32.00	66.00	Completed
2	Project conceptualised in 2019-20; No expenditure made in 2020-21; Hence no ID generated	Centre of Excellence in Oil, Gas & Energy (CEOGE)	2019-20	4.00	27.08	15.61	15.61	Ongoing
3	FY31.03.2021_306	Construction of 100 TPD cattle dung-based biogas plant, Jaipur	2019-20	3.00	31.78	7.20	24.46	Ongoing
4	FY31.03.2021_97	IndianOil ACERS: Providing scholarships to sportspersons	2019-20	3.25	22.85	3.46	12.30	Completed
5	FY31.03.2021_42	Construction of 50 community toilet in Tripura	2019-20	2.83	7.38	2.27	3.60	Ongoing
6	FY31.03.2021_98	Providing facilities for Yoga & Naturopathy Centre at New Delhi	2019-20	3.00	6.23	2.12	5.32	Ongoing
7	FY31.03.2021_117	Construction of Skill Development Academy at Bhopal through Vanvasi Kalyan Parishad	2020-21	1.83	3.67	2.07	3.46	Ongoing
8	Multiple Projects	CSR Projects approved by competent Authority having expenditure less than ₹ 2 crore	2014-15 to 2020-21	From less than 1 to 8 years	410.48	28.77	254.95	Completed/ Ongoing
				Total	**575.47**	**93.51**	**385.69**	

Note: The above list includes CSR projects which were under implementation before the enactment of Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021

Annexure – III

FORM MR-3
SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED MARCH 31, 2022

{Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
INDIAN OIL CORPORATION LIMITED
Indian Oil Bhavan,
G-9, Ali Yavar Jung Marg,
Bandra (East),
Mumbai - 400051

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INDIAN OIL CORPORATION LIMITED (CIN: L23201MH1959GOI011388)** (hereinafter called "the Company"). The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period April 1, 2021 to March 31, 2022, according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the period under review);**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the Company during the period under review);**

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the period under review);**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the period under review);**

(vi) Guidelines on Corporate Governance for Central Public Sector Enterprises (Guidelines), as issued by the Department of Public Enterprises (DPE) of Ministry of Finance, Government of India.

(vii) The following Acts and Rules made thereunder pertaining to oil and gas business, as applicable to the Company:-

a) The Petroleum Act, 1934;

b) The Oil Fields (Regulation and Development) Act, 1948;

c) The Oil Industry (Development) Act, 1974;

d) Mines and Minerals (Regulation and Development) Act, 1957

e) The Energy Conservation Act, 2001;

f) The Petroleum & Natural Gas Regulatory Board Act, 2006;

g) Petroleum & Mineral Pipelines (Acquisition of Rights of User in Land) Act, 1962;

h) Petroleum & Natural Gas Rules, 1959;

We have also examined compliance with the applicable provisions & clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review, the Company has complied with the provisions of Act, Rules, Regulations, Guidelines etc. except mentioned below:

a) Regulation 17(1)(a) of SEBI (LODR), regarding the requirement of having not less than 50% of the Board of Directors as Non-Executive Directors for the period 01.04.2021 to 23.11.2021.

b) Regulation 17(1)(b) of SEBI (LODR), regarding the requirement of having at least half of the Board of Directors as Independent Director for the period 01.04.2021 to 23.11.2021 and 07.02.2022 to 31.03.2022.

c) Regulation 18(1)(b) of SEBI (LODR), regarding the requirement of having atleast two- third of the members of the Audit Committee as Independent Directors for the period 11.07.2021 to 23.11.2021.

d) Regulation 19(1)(c) of SEBI (LODR), regarding the requirement of having atleast fifty percent of the members of the Nomination & Remuneration Committee as Independent Directors for the period 11.07.2021 to 23.11.2021.

e) In view of exemption provided to Government Companies, vide notification dated June 5, 2015 issued by Ministry of Corporate Affairs, from complying with the provision of section 134(3)(p) of the Companies Act 2013, the Company has not complied with regulation 17(10) of the SEBI (LODR), Regulations 2015 which requires performance evaluation of Independent Directors by the entire Board of Directors and regulation 25(4) of the SEBI (LODR), Regulations 2015 which requires review of performance of Non-Independent Directors, the Board of Directors as a whole and the Chairperson of the Company by the Independent Directors.

We further report that:

- The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. **However, the Company has not been able to appoint requisite number of Independent Directors and Non-Executive Directors as required under the provisions of Section 149 of Companies Act, 2013 and Regulation 17 of SEBI (LODR), during the period as mentioned above.**

- Adequate notices are given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. Meetings held at shorter notice are in compliance with the provisions of the Act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous, and no dissenting views have been recorded.

- The agenda items are deliberated before passing the same and the views / observations made by the Directors are recorded in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year 2021-22.

1) The Company has issued Unsecured, Rated, Listed, Taxable, Redeemable and Non-Convertible Debentures of ₹ 1,500 crore on Private Placement basis.

2) The Company at its Annual General Meeting held on August 27, 2021 declared final dividend of 15% i.e. ₹ 1.50 per equity share for the year 2020-2021.

3) The Board of Directors of the Company at its meeting held on October 30, 2021 declared first interim dividend at 50% i.e. ₹ 5 per equity share of face value of ₹ 10/- each and on January 31, 2022 declared second interim dividend at 40% i.e. ₹ 4 per equity share of face value of ₹ 10/- each for the year 2021-2022.

For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

Dipti Mehta
FCS No: 3667
CP No: 23905
UDIN:F003667D000512197

Place: Mumbai
Date:June 28, 2022

Annexure- IV

Report on Energy Conservation, Technology Absorption and Foreign Exchange Earning as per the provisions of the Companies Act 2013 and rules notified thereunder

(A) Conservation of Energy:

a. The steps taken or impact on Conservation of Energy:

During 2021-22, 52 Energy Conservation Schemes (In-house, PCRA-identified and EIL-identified) were implemented across the refineries with achieved energy savings of 66,886 SRFT/year, equivalent to a monetary savings of ₹ 246.43 crore. Out of the total savings, ₹ 106.27 crore was achieved during 2021-22 and balance will be achieved in 2022-23. Through implementation of these Energy Conservation schemes, reduction in approximately 0.217 MMT equivalent CO_2 emission per year has been achieved. Some of the major schemes implemented during 2021-22 are as under:

Sl. No.	Energy saving schemes	ESTIMATED COST (₹ in lakh)	ESTIMATED FUEL SAVINGS (Standard Refinery Fuel Equivalent) MT/Year
1	Import of 15 MW power from 132 KV Grid at Guwahati Refinery	3658	2400
2	Heat utilisation of Atomising Air Cooler of GT 1 & 2 at Barauni Refinery	15	1200
3	Overhauling of GT 1 to improve the operating Heat Rate at Barauni Refinery	839	2524
4	RFCCU CO-Boiler internal modification, to avoid bypass opening at Barauni Refinery	11000	8500
5	Provision of MUH in HRSG-5 at Gujarat Refinery	678	3163
6	Implementation of Electrical Heat Tracing in Bitumen lines at Gujarat Refinery	769	5000
7	Crude Preheat Temperature Improvement by Pinch Analysis and modifications in Preheat train in Crude Distillation Unit (CDU II) at Haldia Refinery	539	6100
8	Replacement of 16400 conventional lights with LED at Haldia Refinery	370	1872
9	Identified passing valves connected with flare @346 kg/hr and rectified at Haldia Refinery	3	3213
10	Repair/Replacement of faulty Steam Traps & Valves at Mathura Refinery	18	2700
11	Overhauling of STG-1 & Vacuum improvement in STG-1 by arresting Air ingress in condenser leakage and Condenser tube cleaning at Mathura Refinery	-	1500
12	APH Basket replacement/cleaning of VHP-3 at Panipat Refinery	45	1107
13	Optimisation of motive steam in the vacuum column overhead ejector system in AVU-1 at Panipat Refinery	1926	3250
14	Routing of PP off gas to WGC at Paradip Refinery	59	7787
15	Preheat train fouling monitoring model (TACIT) at Paradip Refinery	-	1650

b. In addition, following initiatives/projects are planned for the refineries of the Company:-

Guwahati Refinery:

- Replacing Naphtha in Hydrogen Generation Unit with Natural Gas
- Upgradation of Boiler-STG based CPP configuration to GT-HRSG based CPP configuration

Barauni refinery:

- Replacement of Naphtha feed in Hydrogen Generation Unit-I and II with Natural Gas
- Routing of Sour gas from SWS unit to SRU- 706
- Maximising the Feed Preheat temperature by considering hot feed in NHT
- Thermal efficiency improvement of NSU / NHT heaters by heat recovery from hot flue gases through common outboard APH system.
- Increasing number of coils in MUH to reduce dry flue gas loss in HRSG-1 & 2
- Flash steam recovery from MSQ, RFCCU & SRU
- Thermal efficiency improvement of DCU / DHDT by redesigning the APH system based on 100% gas firing
- Replacement / Up-gradation of existing AVU-1, AVU-2 and AVU-3 with a brand new state of the art & efficient AVU

Gujarat Refinery:

- Thermal Efficiency Improvement of the HCU heaters (06-FF-03/04) by stack temperature optimisation through augmentation of APH
- Maximisation of Stripper Feed Temperature in NHT (CCR) by recovering heat from reactor effluent
- CRU- operation of RGC in extraction cum condensing mode
- Recovery of hydrogen from Refinery off gases
- Low level heat recovery from product run down streams for DM Water preheating and in VAM application

Haldia Refinery:

- Replacement of Naphtha feed in Hydrogen Generation Unit-I and II with Natural Gas
- Flash steam & Heat recovery system for HRSGs blow down
- Hot VR from VDU-1 to DCU
- Hot RCO (375 TPH) line from CDU-I to VDU-2
- Hot RCO line from CDU-II to VDU-1 feed temp increase from 110 to 120°C
- Pre heat improvement of NSU column by 6°C by heating of NSU feed by Heart cut naphtha generated from NSU column (U-85)
- Heating of DM water (used in GT for steam generation) by GO-CR in VDU-2.

Mathura Refinery:

- Installation of the TDLS analyser for the accurate oxygen measurement in CRU furnace and optimised air control
- Application of Electrical tracing in offsite piping and tank farm in place of existing stream tracing
- Installation of the PHE in AVU circuit
- Reduction in refinery steam load by replacement of existing turbine driven WGC to motor driven WGC at FCCU
- Conversion of the HPC compressor in NPRU from turbine to motor driven
- Heat Recovery from Flue Gas in HRSG 1 and 2

Digboi Refinery:

- CRU NHT Pressure reduction from 13 KG/cm2g to 10 Kg/cm2g
- Bypassing of CRU NSU Column
- Direct feeding of DOW from SDU product tank to WHFU feed booster pump suction bypassing WHFU feed tank
- WHFU KOD condensate routing to MSQ Feed.
- Refinery Rationalisation of Air compressors
- Steam Generation from MP condensate in MS block, SDU & WHFU through a flash vessel.
- Increasing Rich Amine feed temperature to ARU by installing additional H/Ex
- Optimisation of Wet Gas Compressor operation by Installing VFD
- Thermal efficiency improvement of CDU/VDU heaters (01-FF-001/02-FF- 001) by hardware improvement including redesigning the APH system based on 100% gas firing

Panipat Refinery:

- Maximising Feed preheat temperature in NHT unit
- APH upgradation in AVU-1
- Turbine to motor change over in ID and FD fans of HGU 76/77
- Thermal efficiency Improvement of AVU-I Heater (03-F-1) by Augmentation of APH Based on Pre-dominant Gas Firing
- Hydrogen network optimisation
- Excess air optimisation of the heater 05-F-02 by replacement of 02 Analyser / burners' fine tuning / replacement of burner components Feed Nozzle replacement in RFCCU with new generation nozzle
- Preheat Improvement in AVU-II: Crude Preheat temperature improvement by Pinch Analysis and modification in Preheat Train
- LRVP for AVU-2
- Optimisation of Motive Steam in the Vacuum Column Overhead Ejector System in AVU-1
- Preheat Improvement in AVU-I: Crude Preheat temperature improvement by Pinch Analysis and modification in Preheat Train
- Application of electrical tracing in Offsite Piping and Tank Farm in Place of Steam Tracing

Bongaigaon Refinery:

- MUH operation for low end heat recovery from exhaust gas of HRSG
- Thermal efficiency improvement in CRU Heater

Paradip Refinery:

- H2 recovery from sweet off gas of DHDT & VGO HDT through CCR PSA
- Reduce dead weight in off gas by replacing air with steam for flue gas stripping and fluffing
- Bypass crude column over flash around VDU furnace for heat duty saving
- Coker De-ethanizer/ Stripper inlet feed preheater for reduced MP Steam consumption in DCU
- VDU Furnace heat duty saving by Changing Preflash Vapours routing in CDU Column

PNC:

- Recovery of waste heat in vented steam from IBD in NCU
- Routing of BOG to PR fuel gas header for recovery.

c. Steps taken by the Company for Utilising Alternate Sources of Energy

- The renewable energy portfolio of the Company includes grid connected power and off-grid solar power. The Company is replacing fluorescent tube lights & incandescent lamps with LED lighting.
- Till Financial Year 2021-22, about 5,77,911 numbers of Conventional lighting have been replaced with LED in all the Refineries of IndianOil. About 96,597 nos. of LED were installed during 2021-22 as an ENCON initiative.
- The Company has 25.57 MWp of solar panels across various refineries with a total annual generation capacity of 33.18 million units.

(B) Efforts made towards Technology Absorption, Adaptation and Innovation

As a continuous effort towards improvement of product pattern, product quality, improvement of energy efficiency as well as to meet the dynamic environmental emission norms and to improve profit margin, your Company has adopted most modern technologies in line with the latest worldwide developments in the field of petroleum refining and petrochemicals production.

Major technologies adopted by the Company are as follows:-

a. Indigenous Technology

i) indeDiesel® (Diesel Hydrotreatment) Technology

indeDiesel® technology developed for BS-VI quality diesel production by R&D Centre along with Engineers India Limited has been successfully implemented in Bongaigaon, Gujarat (DHDS revamp and DHDT revamp) and Haldia refineries. The subject technology is also under implementation at Barauni refinery.

ii) indeHex® (Hexane Hydrogenation) Technology

R&D Centre and EIL have developed/ commercialised hydrogenation based indeHex® process technology for Food grade Hexane/ Polymer grade Hexane production. 2 units are currently operational (Gujarat refinery and HMEL, Bathinda refinery).

iii) INDAdeptG Technology

INDAdeptG is reactive adsorption-based process technology, developed by R&D Centre and EIL, for production of low sulfur gasoline component meeting BS-VI sulphur specification. INDAdeptG unit with a capacity of 35 kTA was successfully commissioned for on-spec gasoline production w.r.t. Sulphur in Guwahati Refinery.

iv) indDSK® Technology

indDSK® is low severity hydrotreating technology jointly licensed by R&D Centre and EIL for production of ultra-low sulfur PCK. The technology is under implementation at Paradip refinery for grass-root 300 kTA unit under Fuel Quality upgradation projects.

v) indJet® Technology

indJet® technology is jointly licensed by R&D Centre and EIL for ATF production by selective removal of mercaptan sulfur. The technology is under implementation for a grass-root 400 kTA unit at Barauni refinery.

vi) indDSN® (Naphtha Hydrotreatment) Technology

indDSN® is a process technology, jointly licensed by R&D Centre and EIL, for treating Naphtha range hydrocarbon streams to achieve product stream containing ultra-low sulphur (≤ 0.5 ppmw). A 235 kTA grass-root unit has been licensed at Bongaigaon refinery for Feed treatment of Isomerisation unit.

vii) indSelectG Technology

indSelect^{G} is another in-house developed selective hydrotreating based technology for cracked gasoline desulfurization with minimum octane loss. 80 kTA grass-root unit is under implementation at Guwahati refinery and expected to be commissioned in July 2022.

viii) INDMAX Technology

INDMAX technology developed in-house by R&D Centre and Lummus Technology for converting heavy distillate and residue into LPG/light distillate products has been implemented successfully at Guwahati Refinery, Paradip Refinery and Bongaigaon Refineries and is proposed to be implemented at Barauni, Gujarat, Panipat and CPCL refinery.

ix) Octamax Technology

Octamax technology, developed by R&D Centre, has been successfully implemented at Mathura refinery for production of High-octane Gasoline blending stream from refinery LPG streams. A 110 KTPA capacity plant based on this technology is under implementation at Gujarat refinery under LuPech Project. The technology has also been licensed to Chennai Petroleum Corporation Limited under CBR project.

x) AmyleMax Technology

AmyleMax technology, developed by R&D Centre, for improvement of octane number of light cracked naphtha through increase in oxygenates has been successfully demonstrated at Gujarat Refinery in 2019. A grassroot unit is being considered to implement at Gujarat refinery.

xi) Hexane Hydrogenation Technology

Hexane Hydrogenation process for production of Food grade Hexane (WHO grade quality), developed by R&D Centre with indigenous catalyst has been successfully implemented at Gujarat Refinery.

xii) Delayed Coker Technology

Delayed Coker Technology, developed by R&D Centre and EIL has been successfully demonstrated for Coker-A revamp at Barauni Refinery. The technology is also under implementation for Coker-B unit revamp at Barauni Refinery under BR-9 Project.

xiii) CBG Technology

Biogas Technology, developed by R&D Centre for production of CBG from Cow dung/ rice husk is under implementation at Gorakhpur and Jaipur.

xiv) 2G Ethanol Unit

Technology from Praj Industries Ltd. for production of Ethanol from rice straw (2G Ethanol unit) is being implemented at Panipat.

Commissioning of the envisaged 2G Ethanol Plant is scheduled in August 2022. 2G Ethanol project is one of its kind project, targeting production of 100 KLPD of bio-ethanol using waste biomass like paddy straw to enhance country's energy security, providing extra income to farmers and solving environment problems for burning of rice straw in fields.

xv) NEECOMAX Technology

NEECOMAX Technology is developed by R&D Centre, for production of Needle grade petroleum coke from Clarified Oil. Calcined Needle Coke is a value-added niche product produced from low value feed stock. Needle Coker unit based on NEECOMAX Technology is proposed to be implemented at Paradip Refinery.

xvi) SR LPG treatment Technology:

LPG hydrotreater Technology for treatment of SR LPG, developed by R&D Centre is under implementation at Panipat refinery expansion project (P-25).

b. Imported Technology

i) 3G Ethanol Unit

Technology from M/s Lanzatech, USA for production of Ethanol from PSA off gas is under implementation at Panipat Refinery.

ii) Alkylation Technology

For production of MS, Alkylation technology from M/s Exxon Mobil, USA has been implemented at Paradip Refinery.

iii) ATF Treatment Technology

ATF Merox Treatment Technology from M/s UOP, USA has been implemented at Gujarat and Panipat Refineries. Technology from M/s Merichem, USA has been implemented at Paradip Refinery.

iv) Biturox Technology

To produce various grades of Bitumen as well as to meet the quality requirements, Biturox technology from M/s Porner, Austria has been employed at Gujarat, Mathura and Barauni Refineries.

v) Butane Isomerisation Technology

For production of Alkylate, "Butamer" Technology from M/s UOP, USA has been implemented at Paradip Refinery.

vi) Butene-1 Technology

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

vii) Catalytic Iso-dewaxing Technology

For improving lube oil quality in line with international standards and augmenting production capability of API Gr II LOBS, Iso-dewaxing technology from M/s MOBIL, USA has been implemented at Haldia refinery. Catalytic Dewaxing Technology from M/s Chevron Lummus Global (CLG) for production of API Gr II and Gr III LOBS has been considered for expansion project at Panipat Refinery and LuPech project at Gujarat refinery.

viii) Catalytic Reforming Technology

For improvement in Octane number of Motor Spirit, Continuous Catalytic Reforming technology (CCRU) from M/s Axens, France has been implemented at Mathura & Panipat refineries. Continuous Catalytic Reforming Technology from M/s UOP, USA has been implemented at Gujarat, Paradip and Barauni Refineries. Catalytic reforming technology (CRU) with Russian collaboration has been implemented at Gujarat refinery and from M/s Axens has been implemented at Haldia, Barauni, Digboi and Bongaigaon refineries. Continuous Catalytic Reforming Technology (CCRU) from M/s UOP has been considered in expansion project at Panipat Refinery.

ix) Coker Gas Oil Hydrotreatment Technology

Coker Gas Oil Hydrotreatment Technology from M/s Axens, France has been implemented at Haldia Refinery under Distillate Yield Improvement Project (DYIP).

x) Coke Calcination Technology

Coke Calcination Technology from METSO, USA for production of Calcined Needle Coke is being proposed to be implemented at Paradip Refinery.

xi) Delayed Coker Technology

For bottom of the barrel upgradation, Delayed Coker technology from M/s Lummus Technology, USA has been implemented at Panipat Refinery as part of Panipat Refinery Expansion Project. Delayed Coker Technology from M/s Foster Wheeler, USA has been implemented at Gujarat Refinery under Resid upgradation Project, at Paradip Refinery and also at Haldia Refinery under Distillate Yield Improvement Project (DYIP).

xii) Diesel Hydro Desulphurisation Technology

Diesel Hydro Desulphurisation (DHDS) Units have been installed at Mathura & Panipat refineries with technology from M/s Axens, France and at Gujarat & Haldia refineries with technology from M/s UOP, USA to meet the Diesel quality requirement w.r.t Sulphur. Technology from M/s Haldor Topsoe, Denmark has been implemented for revamp of DHDS at Mathura Refinery.

xiii) Diesel Hydrotreatment Technology

Diesel Hydrotreatment (DHDT) Units have been installed at Guwahati, Barauni, Digboi, Panipat & Gujarat refineries with the technology from M/s UOP, USA. Technology from M/s Axens, France is implemented at Mathura, Panipat, Gujarat and Paradip refineries. Technology from M/s Shell Global Solutions, Netherlands is implemented at Paradip Refinery & has been considered in P-25 expansion project at Panipat Refinery.

xiv) Divided Wall Column (DWC) Technology

Divided Wall Column (DWC) technology is a new separation technology which separates a multi-component feed into three or more purified streams within a single tower, thereby eliminating the need for a second column to obtain high purity products. This design saves capital and energy costs by eliminating operation of second separation column. DWC of M/s KBR, USA has been implemented at Mathura Refinery at CCRU-NSU.

xv) Fluidized Catalytic Cracking Technology

Fluidized Catalytic Cracking (FCC) technology from M/s UOP, USA has been implemented in Gujarat and Mathura refineries for conversion of Vacuum Gas Oil to LPG, MS and Diesel. Technology from M/s Lummus Technology, USA has been implemented for revamp of FCCU at Mathura Refinery.

xvi) Hydrocracker Technology

Full Conversion Hydro cracking Unit (HCU) technology from M/s Chevron USA and M/s UOP USA have been implemented at Gujarat Refinery and Panipat Refinery respectively for conversion of Vacuum Gas Oil to Jet fuel, Kerosene and Diesel. Revamp of HCU unit based on technology from Chevron Lummus Global is under implementation at Gujarat Refinery under LuPech project to produce feedstock for LOBS / CDW unit

xvii) Hydro-finishing Technology for treatment of Paraffin

Wax / Microcrystalline Wax Process technology from M/s. Axens, France for hydro finishing of paraffin wax has been implemented at Digboi refinery.

xviii) Hydrogen Generation Technology

Hydrogen generation technology from M/s Linde, Germany was adopted for Hydrogen production and supply to Hydrocraker unit at Gujarat Refinery and has been implemented at Barauni Refinery under MS Quality Improvement Project. Hydrogen generation technology obtained from M/s. Haldor Topsoe, Denmark is in operation at Gujarat, Mathura, Haldia, Panipat and Barauni refineries and has been implemented at Gujarat Refinery under Resid Upgradation Project. Similar technology from M/s Technip Energies, the Netherlands has been implemented for Hydrogen generation at Guwahati, Digboi, Mathura, Haldia and Bongaigaon Refineries.

xix) ISOSIV Technology at Guwahati Refinery

For production of Isomerate for blending in MS at Guwahati Refinery, ISOSIV technology from M/s UOP, USA has been implemented.

xx) Kerosene Hydro Desulphurisation Technology

Kerosene Hydro Desulphurisation Unit has been installed at Haldia refinery with technology from M/s Axens, France.

xxi) LPG Treatment Technology

Coker LPG Merox Treatment technology from M/s UOP, USA has been implemented at Panipat Refinery and at Haldia Refinery under DYIP project. FCC LPG Treatment technology from M/s Merichem, USA has been implemented at Haldia and Paradip Refineries. Straight Run LPG Treatment technology from M/s UOP, USA has been implemented at Paradip Refinery. LPG Treatment technology from M/s UOP is under implementation in B-9 expansion project at Barauni Refinery.

xxii) MS Quality Upgradation Technology

For MS quality upgradation, Isomerisation technology of M/s UOP, USA have been implemented at Mathura, Panipat and Gujarat Refineries. Isomerisation Technology from M/s Axens, France has been implemented at Haldia, Guwahati, Digboi and Barauni refineries. FCC Gasoline desulphurization technology (Prime-G) from M/s Axens, France has been implemented at Haldia, Mathura, Panipat, Barauni and Bongaigaon Refineries. Isomerisation technology of M/s UOP, USA is under implementation in expansion projects at Barauni, Panipat and Gujarat refinery.

xxiii) MTBE Technology

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

xxiv) Naphtha Cracker and Downstream Petrochemical Technology

Naphtha Cracker Technology from M/s ABB Lummus, USA has been implemented at Panipat Refinery. Technologies from M/s Basell, Italy, M/s Basell, Germany, M/s Nova Chemicals, Canada & M/s Scientific Design, USA have been implemented for downstream polymer plants viz. Poly-Propylene Unit (PP), HDPE unit, Swing Unit (HDPE/LLDPE) and MEG Unit respectively. Technology from M/s ABB Lummus has been implemented for production of Butadiene. Technology from M/s Basell, Italy is under implementation at Paradip Refinery for production of Poly-Propylene. Technology from M/s Scientific Design, USA is under implementation at Paradip Refinery for production of MEG. Poly-Propylene unit (PP) with technology developed by M/s McDermott has been considered in expansion projects at Barauni and Gujarat refinery. PP with technology from M/s Basell is under implementation in expansion project at Panipat refinery.

xxv) Naphtha Treatment Technology

FCC Naphtha Treatment Technology from M/s Merichem, USA for removal of Mercaptans and H2S has been implemented at Paradip Refinery. Technology for Naphtha Hydrotreating & Fractionating from M/s UOP, USA has been implemented at Paradip refinery & has been considered in expansion project at Barauni, Panipat and Gujarat refinery. Naphtha hydrotreating from M/s UOP, USA has been implemented at Barauni refinery under Fuel quality upgradation project.

xxvi) Once Through Hydrocracking Technology

Once Through Hydrocracking Units (OHCU) have been installed at Panipat, Mathura and Haldia refineries with the technologies from M/s UOP, USA, M/s Chevron, USA and M/s Axens, France respectively for improvement of distillate yield. OHCU technology by M/s Chevron Lummus Global (CLG) has been considered in B-9 expansion project at Barauni Refinery.

xxvii) Regenerative type Flue Gas De-Sulphurisation Technology

In order to recover Sulphur Di-Oxide from Boiler flue gases, a Regenerative type Flue gas De-Sulphurisation technology from M/s Cansolv Technology Incorporate (CTI), Canada, has been implemented at Paradip Refinery.

xxviii) Resid Fluidized Catalytic Cracking Technology

The Resid Fluidized Catalytic Cracking (RFCC) technology from M/s Stone & Webster, USA (now part of Technip) has been implemented at Panipat, Haldia and Barauni Refineries.

xxix) Resid Hydrocracker Technology

H-Oil Technology (Resid-Hydrocracker) from Axens, France for enhancement of distillate yield from the bottoms (Vacuum residue) is being implemented at Panipat refinery under P-25 Project

xxx) Solvent Dewaxing / De-oiling Technology at Digboi

In order to upgrade the process for production of Paraffin Wax at Digboi Refinery, Solvent dewaxing/de-oiling technology from M/s UOP, USA has been implemented.

xxxi) Spent Acid Regeneration Technology

In order to regenerate fresh sulphuric acid from spent sulphuric acid recovered from Alkylation Unit, a Spent Acid Regeneration Technology from M/s MECS (Monsanto Enviro-Chem Systems), USA has been implemented at Paradip Refinery.

xxxii) Sulphur Pelletization Technology

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

xxxiii) Sulphur Recovery Technologies for reduction of SO2 emissions

Refineries at Gujarat, Haldia, Mathura and Barauni are provided with Sulphur Recovery Technology from M/s Worley, Netherlands. The Sulphur recovery technology from M/s. Delta Hudson, Canada has been employed at Panipat refinery. Further, Sulphur recovery technologies from M/s Black & Veatch Pritchard, USA have been implemented at Panipat, Gujarat and Paradip Refineries. Technology from M/s Technip Energies, Spain has been implemented at Haldia Refinery under Once through Hydrocracker Project. Technology from M/s Worley, Netherlands has been implemented under additional Sulphur Recovery Unit at Mathura Refinery. Technology from M/s Lurgi, Germany has been implemented under DYIP project at Haldia Refinery. Technology from M/s Axens, France is under implementation at Panipat Refinery and Bongaigaon Refinery. Sulphur Recovery Technology from M/s Kinetic Technology is under implementation in expansion project at Barauni refinery and technology from M/s Worley is under implementation in expansion at Panipat refinery.

xxxiv) Technology for Linear Alkyl Benzene (LAB)

Technology from M/s UOP, USA has been implemented for production of Linear Alkyl Benzene at Gujarat Refinery.

xxxv) Technology for Para-Xylene

For production of Para-Xylene at Panipat, technologies from M/s UOP, USA have been implemented. Technology from M/s UOP, USA has been considered at Paradip Refinery.

xxxvi) Technology for Purified Terephthalic Acid (PTA)

For production of PTA at Panipat Refinery, technology from M/s Invista, USA has been implemented. Technology from BP Amoco has been considered at Paradip refinery.

xxxvii) VGO Hydrotreatment Technology

Technology from M/s UOP has been implemented at Gujarat Refinery under Resid Upgradation Project. Technology from M/s Axens, France has been implemented at the VGO-Treater installed at Paradip Refinery.

xxxviii) Sulphuric acid Plant Technology

Technology from M/s Haldor Topsoe for Production of Sulfuric Acid by oxidation of H2S is under implementation at Haldia refinery under Fuel quality upgradation project.

xxxix) TAME Technology

Tertiary Amyl Methyl Ether (TAME) Technology from M/s Axens is under implementation at Panipat Refinery.

xl) Poly Butadiene Rubber (PBR) Technology

Poly Butadiene Rubber (PBR) Technology from M/s Goodyear Tire and Rubber Corporation, USA is under implementation at Panipat Refinery and Petrochemical Complex. The product PBR is a major raw material for Automotive Tyres.

c. The benefits derived like product improvement, cost reduction, product development or import substitution:

Benefits derived include:

- Upgradation of heavy oil to higher value products of improved quality such as LPG, gas oil, motor spirit, kerosene, ATF, etc.
- Reduction of Sulphur content impurity in petroleum products (like LPG, Naphtha, MS, Kerosene, ATF, HSD etc.)
- Feed Quality Improvement for subsequent processing resulting in improved product pattern.
- Production of higher-grade lubricant base stocks which help in reducing import dependence.
- Production of better grades of Bitumen
- Reduction of Sulphur dioxide emissions
- Value addition to surplus Naphtha by
  - Naphtha Cracking and subsequent high value products like Glycols, Polymers, Butadiene, Benzene etc.
  - Naphtha conversion to high value Paraxylene (PX) and benzene and subsequent PX conversion to higher value PTA product
- Production of high value speciality products like MTBE, LAB, Food Grade Hexane etc
- Production of products (like Styrene Butadiene Rubber and Butene-1) which are import substitution products.
- Production of sulphur in pellets form which is more environment friendly and easier to handle
- Auto Fuel Quality improvement for HSD and MS so that these fuels can conform to BS-VI fuel standards and latest pollution control norms.
- Use of a number of indigenous technologies resulting in import substitution.

d. Details of imported technology (imported during the last three years reckoned from the beginning of the financial year):

i. Fuel Quality upgradation Projects at Panipat refinery:

The details of technology imported:

- Technology for desulphurisation of gas oils, from M/s UOP, USA
- Technology for production of sulphur from M/s Axens, France
- Technology for Hydrogen Generation from M/s Technip France
- Technology for TAME for FCC gasoline, from M/s Axens, France

The year of import: 2017-18/2018-19

Whether the technology been fully absorbed: The project has been completed in 2021-22 with commissioning of TAME unit in March 2022.

ii. Fuel Quality upgradation Projects at Gujarat refinery:

The details of technology imported:

- Technology for desulphurisation of FCC Gasoline at Gujarat refinery, from M/s Axens, France
- Technology for desulphurisation of gas oils, from M/s UOP, USA
- Technology for Hydrogen Generation from HTAS, Denmark

The year of import: 2016-17/2017-18

Whether the technology been fully absorbed: The project implementation has been completed in 2021-22 with commissioning of FCC Gasoline unit in August 2021.

iii. Fuel Quality upgradation Projects at Haldia refinery:

The details of technology imported:

- Technology for Sulphuric Acid plant at Haldia refinery from M/s HTAS, Denmark

The year of import: 2017-18

Whether the technology was fully absorbed: The project has been commissioned in June 2022.

iv. Fuel Quality upgradation Projects at Bongaigaon refinery:

The details of technology imported:

- Technology for production of sulphur from M/s Axens, France

The year of import: 2017-18

Whether the technology been fully absorbed: The SRU has been commissioned in June, 2022.

v. Mathura Refinery Expansion Residue Upgradation project

The details of technology imported:

- Technology for Residue upgradation through Ebullated bed Hydrocracker unit, from M/s Chevron, USA
- Technology for production of sulphur from M/s Axens, France
- Technology for production of reformate through Catalytic reforming unit from M/s Axens, France.

The year of import: 2017-18

Whether the technology been fully absorbed: Environmental Clearance for the project obtained on 22.11.2021. Further clearance from Hon'ble Supreme Court to be obtained.

vi. Fuel Quality Upgradation Project at Paradip Refinery:

The details of technology imported:

- Technology for Hydrogen Generation & ROG PSA from M/s Linde, Germany

The year of import: 2018-19.

Whether the technology been fully absorbed: The project is in implementation stage. Expected commissioning of HGU plant by December 2022.

vii. Off-gas to Ethanol at Panipat Refinery from PSA Off gas of HGU

- Technology for Ethanol production, from M/s Lanzatech, USA

The year of import: 2018-19

Whether the technology been fully absorbed: The project is in implementation stage. Expected commissioning by Q2 of 2022-23.

viii. Barauni Refinery Expansion project

The details of technology imported:

- Technology for processing Vacuum gasoil in Hydrocracking unit from M/s Chevron, USA
- Technology for production of Isomerate through Isomerisation unit from M/s UOP, USA.
- Technology for production of sulphur from M/s KT, Italy.
- Technology for Poly Propylene production M/s CB&I Novolen Technology
- Technology for LPG Treatment from M/s UOP, USA

The year of import: 2017-18/2018-19

Whether the technology been fully absorbed: The project is in implementation stage - Expected commissioning by April 2023.

ix. Catalytic reforming unit project in Guwahati Refinery

The details of technology imported:

- Technology for production of Reformate from M/s UOP, USA.

The year of import: 2018-19

Whether the technology been fully absorbed: The project is in implementation stage - Expected commissioning by October 2023.

x. Ethylene Glycol (MEG) Project at Paradip

- Technology for Ethylene Recovery Unit, from M/s CB&I Lummus, USA
- Technology for Ethylene Glycol from M/s Scientific Design, USA

The year of import: 2016-17/2017-18

Whether the technology been fully absorbed: The project is in implementation stage - Expected commissioning by Q2 of 2022-23.

xi. Gujarat Refinery Expansion Project

The details of technology imported:

- Technology for production of Reformate & Isomerate from M/s UOP, USA.
- Technology for Poly Propylene production from M/s Lummus Novolen, Germany.

- Technology for production of Lube oil base stock through HCU revamp and catalytic Dewaxing unit from M/s. Chevron Lummus Global, USA

The year of import: 2018-19

Whether the technology been fully absorbed: The project is in implementation stage - Expected commissioning by 2024-25.

xii. Panipat Refinery Expansion Project

- Technology for desulphurisation of gas oils, from M/s Shell,
- Technology for desulphurisation of Vacuum Gas oils from M/s UOP, USA
- Technology for production of Reformate and Isomerate from M/s UOP, USA
- Technology for upgradation of bottom of barrel to distillates by Resid hydrocracking from M/s Axens, France
- Technology for production of API Gr II & Gr III LOBS from M/s CLG, USA
- Technology for production of Polypropylene Unit from M/s Basell Polyolifine, Italy
- Technology for Sulphur recovery unit from M/s. Worley

The year of import: 2018-19 & 2019-20

Whether the technology been fully absorbed: The project is in implementation stage - Expected commissioning by September 2024.

xiii. PX-PTA Project at Paradip

- Technology for PX Unit, from M/s UOP, USA
- Technology for PTA from M/s BP Amoco, USA

The year of import: 2017-18/2018-19

Whether the technology been fully absorbed: The project is in implementation stage - Expected commissioning by January 2024.

xiv. Catalytic Dewaxing Unit at Haldia

- Technology for CDW Unit, from M/s CLG, USA

The year of import: 2018-19

Whether the technology been fully absorbed: The project is in implementation stage - Expected commissioning by December 2022

xv. Acrylics/Oxo Alcohol Project at Dumad, Gujarat

- Technology for Butyl Acrylate Unit, from M/s Mitsubishi Chemical Corporation, Japan
- Technology for Acrylic Acid Unit, from M/s Mitsubishi Chemical Corporation, Japan
- Technology for Normal Butanol Unit, from M/s JM Davy, U.K

The year of import: 2018-19

Whether the technology been fully absorbed: The project is in implementation stage - Expected commissioning by May 2023.

xvi. Poly Butadiene Rubber Project, Panipat

- Technology for Goodyear Tire and Rubber Corporation, USA

The year of import: 2021-22

Whether the technology been fully absorbed: The project is in implementation stage - Expected commissioning by March 2025.

(C) Foreign Exchange Earning and Outgo

The total Foreign Exchange earned and outgo during the year is as under :-

- Foreign Exchange earned : ₹ 22,100.07 crore
- Foreign Exchange outgo : ₹ 3,46,729.00 crore

D) The areas in which R&D activities were carried out during the year are as under:-

- Development & demonstration of Refinery process technologies. INDMAX technology successfully licensed to Numaligarh Refinery Ltd against competitive bidding.
- Licensing & commercialisation of R&D developed technologies. Drag Reducing Additive technology was successfully commercialised during the year.
- Modeling and simulation – Refinery Processes
- Technical services to refineries, petrochemicals and Pipelines Division
- Lubricant, Greases and Specialties - Fuel Efficient Products, Combo offers. 135 lube formulations released.
- Metal Working Tribology and Boundary Lubrication
- Fuel additives development and commercialisation.
- Fuel Quality and Emission related Studies. HCNG trail completed. Support provided for development and launch of Xtragreen HSD and XP100 Gasoline.
- Development of Carbon Dioxide to Valuable Products
- Carbon Capture & utilisation
- Alternative fuels - HCNG, 2nd & 3rd Generation bio-fuels
- Process and catalyst development for Petrochemicals & Polymers application
- Development of Intelligent and Caliper pigs for monitoring health of pipelines
- Nano technological interventions for enhanced performance of fuels and lubricants
- Alternate Energy – Gasification, Hydrogen, Fuel Cell and Solar
- Troubleshooting, revamp and optimisation for refinery processes
- Catalysts development for refining and petrochemical processes
- Bituminous products – PMB & CRMB+
- Corrosion, Remaining life assessment and Material failure Analyses,
- Biotechnology interventions for refinery ETP. 2 G Enzymatic Ethanol technology developed. R&D has also developed, and lab tested "Crop Residue decomposer"
- Nano Technology area on different product platforms. The disinfectant product developed and launched as "IndianOil XtraGuard".
- During year 2021-22, R&D bagged following major awards:
  - ✓ Innovator of the Year at FIPI Awards 2021
  - ✓ CII Industrial IP Awards 2021
  - ✓ Energy Conservation Awards 2020 by HAREDA
  - ✓ National Water Award by Ministry of Jal Shakti

Expenditure on R&D

(a)	Capital	- ₹ 259.68 crore
(b)	Recurring	- ₹ 316.87 crore
(c)	Total	- ₹ 576.55 crore

In addition to the above, the increase in advance towards capital expenditure is ₹ 225.59 crore as compared to previous year.

REPORT ON CORPORATE GOVERNANCE



IndianOil Board Members on the occasion of IndianOil's 700th Board Meeting

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

IndianOil strongly believes that good Corporate Governance practices ensure ethical and efficient conduct of the affairs of the Company in a transparent manner and also help in maximising value for all the stakeholders like members, customers, employees, contractors, vendors and the society at large. Good Corporate Governance practices help in building an environment of trust and confidence among all the constituents. The Company endeavours to uphold the principles and practices of Corporate Governance to ensure transparency, integrity and accountability in its functioning, which are vital to achieve its Vision of being the Energy of India and a Globally-Admired Company.

The Company has set high standards of ethical and responsible conduct of business to create value for all its stakeholders. For effective implementation of the Corporate Governance practices, the Company has a well-defined policy framework inter-alia, consisting of the following:

- Code of Conduct for Board Members and Senior Management Personnel
- Code for Prevention of Insider Trading in the Securities of IndianOil and Practices and Procedure for Fair Disclosure
- Enterprise Risk Management Policy
- Integrity Pact to enhance transparency in business
- Whistle Blower Policy
- Conduct, Discipline and Appeal Rules for officers
- Sustainability & Corporate Social Responsibility Policy
- Materiality of Related Party Transactions and dealing with Related Party Transactions
- Policy for determining Material Subsidiaries
- Policy for determination of Material / Price Sensitive Information and Disclosure Obligations
- Policy for Preservation of Documents
- Dividend Distribution Policy
- Human Resources Initiatives

2. BOARD OF DIRECTORS

(a) Composition of Board of Directors

The Board of the Company comprises Executive (Whole-Time) Directors, Non-Executive (Part-Time) Government Nominee Directors and Non-Executive (Part-Time) Independent Directors. The Independent Directors are eminent people with proven record in diverse areas like business, law, economics, administration, etc.

The tenure of the Directors appointed on the Board is as under:

- Whole-time Directors are appointed for a period of five years or their date of superannuation, whichever is earlier;
- Government Nominee Directors are appointed on an ex-officio basis during their tenure in the Ministry of Petroleum & Natural Gas (MoP&NG);
- Independent Directors are appointed for a period of three years.

As on 31.03.2022, the Board of the Company had 16 Directors, comprising of eight Executive Directors (Whole-time Directors including the Chairman), one Government Nominee Director and seven Independent Directors as given below:

Sl. No.	Name	Category	Designation	Date of Appointment	Tenure as on 31.03.2022 (in years)
1.	Shri Shrikant Madhav Vaidya	Whole-time Director	Chairman	14.10.2019 (Note 1)	2.46
2.	Dr S. S. V. Ramakumar	Whole-time Director	Director (Research & Development)	01.02.2017	5.16 (Note-2)
3.	Shri Ranjan Kumar Mohapatra	Whole-time Director	Director (Human Resources)	19.02.2018	4.11
4.	Shri Sandeep Kumar Gupta	Whole-time Director	Director (Finance)	03.08.2019	2.66
5.	Shri Satish Kumar Vaduguri	Whole-time Director	Director (Marketing)	28.10.2021	0.42
6.	Shri Dayanand Sadashiv Nanaware	Whole-time Director	Director (Pipelines)	28.12.2021	0.25
7.	Ms Sukla Mistry	Whole-time Director	Director (Refineries)	07.02.2022	0.14
8.	Shri Sujoy Choudhury	Whole-time Director	Director (Planning & Business Development)	23.02.2022	0.10
9.	Dr Navneet Mohan Kothari	Non-Executive Director	Government Nominee Director	25.03.2020	2.02
10.	Ms Lata Usendi	Non-Executive Director	Independent Director	06.11.2019	2.40
11.	Shri Dilip Gogoi Lalung	Non-Executive Director	Independent Director	24.11.2021	0.35
12.	Dr Ashutosh Pant	Non-Executive Director	Independent Director	24.11.2021	0.35
13.	Dr Dattatreya Rao Sirpurker	Non-Executive Director	Independent Director	24.11.2021	0.35
14.	Shri Prasenjit Biswas	Non-Executive Director	Independent Director	24.11.2021	0.35
15.	Shri Sudipta Kumar Ray	Non-Executive Director	Independent Director	24.11.2021	0.35
16.	Shri Krishnan Sadagopan	Non-Executive Director	Independent Director	24.11.2021	0.35

Note 1: Shri Shrikant Madhav Vaidya was appointed as Director (Refineries) on 14.10.2019 and thereafter, as Chairman w.e.f. 01.07.2020.

Note 2: Dr S.S.V. Ramakumar was appointed as Director (R&D) for a period of 5 years w.e.f. 01.02.2017 i.e. till 31.01.2022. MoP&NG vide letter dated 15.11.2021 extended the tenure of Director (R&D) till the date of superannuation i.e. 31.07.2023.

The Independent Directors have submitted a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 (Act) and Regulation 16(1) (b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (SEBI (LODR)). In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the Act and SEBI (LODR) and are independent of the management.

The terms and conditions of appointment of Independent Directors are hosted on the website of the Company www.iocl.com.

As required under the SEBI (LODR), M/s Mehta & Mehta, Practicing Company Secretary, has certified that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by the Ministry of Corporate Affairs or any such statutory authority.

(b) Skills / Expertise / Competencies of Board of Directors

Being a Government Company, all the Directors on the Board viz. Functional Directors, Government Nominee Directors and Independent Directors are selected and appointed by the Government as per a well laid down process for each category of Directors. The core skills, expertise and competence required for the Board to function effectively, in the context of the Company's business, forms an integral part of the Government's process for selection of Directors. In view thereof, the Board of the Company has not identified any such core skills or expertise or competence for a Director as required under SEBI (LODR).

(c) Board Meetings

The Board of Directors oversees the overall functioning of the Company and has set strategic objectives to achieve its Vision. The Board lays down the Company's policy and oversees its implementation in attaining its objectives. It has constituted various committees to facilitate the smooth and efficient flow of the decision-making process.

During 2021-22, nine Board Meetings were held. The dates of the Board Meetings are fixed well in advance and intimated to the Board members to enable them to plan their schedule accordingly. The Directors are also provided the option to participate in the meeting through video conferencing and the facility is provided as and

when requested. The agenda papers are circulated to the Directors in advance before the meeting. However, certain exigent proposals are tabled at the Meeting with the approval of the Chairman and consent of the Directors. For paperless Board meetings, the agenda items are uploaded on a digital platform (Board Portal) which can be accessed by the Directors electronically on their electronic device in a secured manner. The agenda items are comprehensive and informative in nature to facilitate deliberations and appropriate decision making at the Board meeting.

Presentations are made to the Board on various functional and operational areas of the Company like Refineries, Pipelines, Marketing, Petrochemicals, Gas and other Business Development activities as well as on major projects, financial highlights etc.

The agenda placed before the Board inter-alia includes all statutory, other significant & material information, including the information mentioned in Regulation 17(7), read with Part A of Schedule II of SEBI (LODR) and Annexure IV of the Guidelines on Corporate Governance issued by the Department of Public Enterprises for Government Companies.

The Board Minutes are prepared promptly after the Board meeting and circulated to all Directors for their comments, if any, and thereafter approval of the Chairman is obtained. The approved minutes are then circulated to the concerned department / group for implementation. The Action Taken Report on the decision of the Board is obtained and submitted to the Board periodically.

Details of the Board Meetings held during 2021-22 are as under:

Sl. No.	Date	Board Strength	No. of Directors present
1.	19.05.2021	9	9
2.	30.06.2021	9	9
3.	30.07.2021	8	8
4.	26.08.2021	8	7
5.	30.09.2021	6	6
6.	30.10.2021	7	7
7.	20.12.2021	13	13
8.	31.01.2022	14	14
9.	16.03.2022	16	16

(d) Attendance of each Director at Board Meetings held during 2021-22, last Annual General Meeting (AGM) and number of other Directorships and Chairmanship / Membership of Committees of each Director in various companies are as under:

Name	No. of Board Meetings attended out of meetings held during the tenure of Director	Attendance at the AGM held on 27.08.2021 (Yes/No/NA)	No. of Directorship in other Companies as on 31.03.2022	Directorship in other listed entities as on 31.03.2022 & category of Directorship	Membership of Committees in other Companies as on 31.03.2022	Chairmanship of Committees in other Companies as on 31.03.2022
Whole-time Directors						
Shri Shrikant Madhav Vaidya (DIN - 06995642) Chairman	9(9)	Yes	5	1) Chennai Petroleum Corporation Limited (Non-Executive Chairman) 2) Petronet LNG Limited (Non-Executive Director)	-	-
Dr S. S. V. Ramakumar (DIN - 07626484) Director (Research & Development)	9(9)	Yes	1	-	-	-
Shri Ranjan Kumar Mohapatra (DIN – 08006199) Director (Human Resources)	9(9)	Yes	2	-	-	-
Shri Sandeep Kumar Gupta (DIN - 07570165) Director (Finance)	9(9)	Yes	4	-	-	-
Shri Satish Kumar Vaduguri (DIN - 09322002) Director (Marketing) w.e.f 28.10.2021	4(4)	NA	-	-	-	-
Shri Dayanand Sadashiv Nanaware (DIN - 07354849) Director (Pipelines) w.e.f. 28.12.2021	2(2)	NA	2	-	-	-
Ms Sukla Mistry (DIN - 09309378) Director (Refineries) w.e.f. 07.02.2022	1(1)	NA	3	1) Chennai Petroleum Corporation Limited (Non-Executive Director)	-	-
Shri Sujoy Choudhury (DIN - 09503285) Director (Planning & Business Development) w.e.f. 23.02.2022	1(1)	NA	4	-	-	-
Shri G. K. Satish (DIN - 06932170) upto 31.08.2021	4(4)	Yes	6	-	-	-
Non-Executive Directors (Government Nominee)						
Dr Navneet Mohan Kothari (DIN - 02651712)	8(9)	No	2	1) GAIL (India) Limited (Govt-Nominee Director)	-	-
Smt Indrani Kaushal (DIN- 02091078) upto 24.09.2021	4(4)	No	1	-	-	-
Non-Executive Directors (Independent Director)						
Ms Lata Usendi (DIN - 07384547)	9(9)	Yes	-	-	-	-
Shri Dilip Gogoi Lalung (DIN - 09398549) w.e.f. 24.11.2021	3(3)	NA	-	-	-	-
Dr Ashutosh Pant (DIN - 03057160) w.e.f. 24.11.2021	3(3)	NA	-	-	-	-

Name	No. of Board Meetings attended out of meetings held during the tenure of Director	Attendance at the AGM held on 27.08.2021 (Yes/No/NA)	No. of Directorship in other Companies as on 31.03.2022	Directorship in other listed entities as on 31.03.2022 & category of Directorship	Membership of Committees in other Companies as on 31.03.2022	Chairmanship of Committees in other Companies as on 31.03.2022
Dr Dattatreya Rao Sirpurker (DIN - 09400251) w.e.f. 24.11.2021	3(3)	NA	-	-	-	-
Shri Prasenjit Biswas (DIN - 09398565) w.e.f. 24.11.2021	3(3)	NA	-	-	-	-
Shri Sudipta Kumar Ray (DIN - 02534632) w.e.f. 24.11.2021	3(3)	NA	-	-	-	-
Shri Krishnan Sadagopan (DIN - 09397902) w.e.f. 24.11.2021	3(3)	NA	-	-	-	-
Shri Rajendra Arlekar (DIN - 08518169) upto 10.07.2021	2(2)	NA	-	-	-	-

Note :

1) The Directorships held by Directors as mentioned above include public limited, private limited and foreign companies but do not include the companies registered under Section 8 of the Companies Act, 2013.
2) The Membership / Chairmanship of Committee is considered only for the Audit Committee and the Stakeholders' Relationship Committee.
3) In case of cessation of Directorship, the details of directorship on Board of other companies and committee position are as on the date of cessation from the Board of the Company.

All the Directors have intimated about their Directorship and Membership in the various Boards / Committees of other companies, as and when required. None of the Directors on the Board is a Member of more than 10 Committees or a Chairman of more than five Committees across all the companies in which they hold Directorships. Further, none of the Non-Executive Directors serve as Independent Director in more than seven listed companies and none of the Executive or Whole-time Directors serve as Independent Directors on any listed Company.

A brief resume of the Directors, who are being re-appointed at the forthcoming Annual General Meeting, is provided in the notice of the AGM.

(e) Code of Conduct

The Code of Conduct for Board Members and Senior Management Personnel of the Company approved by the Board is circulated to all concerned and is also hosted on the website of the Company. The Directors and Senior Management Personnel of the Company have affirmed compliance with the provisions of the Code of Conduct for the financial year ended 31.03.2022 under Regulation 26(3) of SEBI (LODR) and no material financial or commercial transactions, which may have a potential conflict with the interest of the Company, were reported by them.

(f) Succession Planning

The Company has put in place a structured succession planning framework to ensure a systematic development plan to fill key positions, other than Board Members, in line with the vision and business strategies of the Company. Being a Government Company under the administrative control of the MoP&NG, the power to appoint Directors (including Independent Directors) vests with the Government of India.

3. COMMITTEES OF THE BOARD

(a) Audit Committee

The Audit Committee has been constituted in line with the provisions of the SEBI (LODR) and the provisions of the Companies Act, 2013 and the rules notified thereunder.

The Audit Committee comprised the following members as on 31.03.2022:

Name	Designation	Committee Position
Shri Prasenjit Biswas	Independent Director	
Ms Lata Usendi	Independent Director	
Shri Sudipta Kumar Ray	Independent Director	
Dr Navneet Mohan Kothari	Government Nominee Director	

Chairman
Member

The Terms of Reference of the Audit Committee covers the matters specified under the provisions of the Companies Act, 2013 as well as Regulation 18 (3) read with Part C of Schedule II of the SEBI (LODR), which inter-alia include the following:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing with management the quarterly and annual financial statements, auditors' report along with related party transactions, if any, before submission to the Board.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.
- Approval of or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertaking or assets of the listed entity, wherever it is necessary.
- Reviewing the matters to be included in Directors Responsibility Statement that forms part of the Board Report.
- Reviewing with the management and statutory and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussions with internal auditors on the Annual Internal Audit Program, Significant Audit Findings and follow up on such issues.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussions with statutory auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern.
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Approving the appointment of chief financial officer after assessing the qualifications, experience and background etc. of the candidate.
- Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders

- Reviewing the Company's financial and risk management policies.
- Evaluating the internal financial controls and risk management systems.
- Reviewing with the management, the observations / comments of the Comptroller & Auditor General of India (CAG) and management's assurance thereon.
- Reviewing with the management, the follow-up action taken on the recommendations of the Parliamentary Committee on Public Undertaking (CoPU), if any.
- Noting the appointment of Statutory Auditors of the Company and recommending audit fee for the statutory audit as well as to approve fee for other services by the auditors.
- Approving the payment to statutory auditors for any other services rendered by the statutory auditors.
- Recommending the appointment of cost auditors of the Company and review of Cost Audit Report.
- Examining, deciding and dealing with all issues relating to Ethics in the Company.
- Reviewing the functioning of the Whistle-Blower Policy.
- Reviewing the compliance with SEBI (LODR) & SEBI (PIT) Regulations.

The attendance at the seven meetings of the Audit Committee held during 2021-22 is given below:

Name	Meeting held on						
	18.05.2021	29.06.2021	29.07.2021	26.08.2021	31.01.2022	25.02.2022	15.03.2022
Shri Rajendra Arlekar (upto 10.07.2021)	√	√					
Smt Indrani Kaushal (upto 24.09.2021)	√	√	√	√			
Ms Lata Usendi	√	√	√	√	√	X	√
Dr Navneet Mohan Kothari (w.e.f 15.07.2021)			√	X	√	X	√
Shri Prasenjit Biswas (w.e.f 24.11.2021)					√	√	√
Shri Sudipta Kumar Ray (w.e.f 24.11.2021)					√	√	√

The Audit Committee meetings are attended by Director (Finance) and the Head of Internal Audit as invitees. The representatives of the Statutory Auditors are also invited to attend the meetings while considering the quarterly results / annual financial statements and to discuss the nature and scope of the Annual Audit. The Cost Auditors are also invited, when the Cost Audit Report is considered by the Audit Committee.

The Minutes of the meetings of the Audit Committee are circulated to the members of the Audit Committee. The approved minutes are then circulated to all concerned departments of the Company for necessary action and are also submitted to the Board for information.

The Company Secretary acts as the Secretary of the Audit Committee.

(b) Nomination and Remuneration Committee

The Company being a Government Company, the appointment and the terms and conditions of appointment (including remuneration), of the Whole-time Directors are decided by the Government of India. However, the Board has constituted a Nomination and Remuneration Committee to:

- approve certain perquisites for Whole-time Directors and below Board level executives as well as to approve performance-related pay to the executives of the Company as per the DPE guidelines;
- create and sanction posts as well as to consider and approve promotions to Grade 'I' (Executive Director) i.e. Senior Management Personnel.

The Nomination and Remuneration Committee comprised the following members as on 31.03.2022:

Name	Designation	Committee Position
Dr Dattatreya Rao Sirpurker	Independent Director	
Ms Lata Usendi	Independent Director	
Shri Dilip Gogoi Lalung	Independent Director	
Shri Sudipta Kumar Ray	Independent Director	
Dr Navneet Mohan Kothari	Government Nominee Director	
Shri Shrikant Madhav Vaidya	Chairman, IndianOil	

Chairman

Member

The attendance at one meeting of Nomination & Remuneration Committee held during 2021-22 is given below:

Name	Meeting held on 31.01.2022
Dr Dattatreya Rao Sirpurker	√
Ms Lata Usendi	√
Shri Dilip Gogoi Lalung	√
Shri Sudipta Kumar Ray	√
Dr Navneet Mohan Kothari	√
Shri Shrikant Madhav Vaidya	√

The performance evaluation of the Directors (including Independent Directors) has not been carried out by the Nomination & Remuneration Committee, as the Company being a Government Company, the powers relating to appointment, evaluation and the terms of Directors vests with the Government of India. Such evaluation is exempted for Government Companies under the provisions of the Companies Act, 2013.

The Company Secretary acts as the Secretary of the Nomination & Remuneration Committee.

DIRECTORS' REMUNERATION:

The remuneration paid to Whole-time Directors during 2021- 22 is as under:

(₹)

Name	Designation	Salaries & Allowances	Performance Linked Incentive	Other Benefits & Perquisites	Total Remuneration
Shri Shrikant Madhav Vaidya	Chairman	41,09,800	16,86,142	11,81,538	69,77,480
Dr S. S. V. Ramakumar	Director (Research & Development)	52,56,067	17,83,999	9,03,028	79,43,094
Shri Ranjan Kumar Mohapatra	Director (Human Resources)	45,54,191	17,04,281	25,82,834	88,41,306
Shri Sandeep Kumar Gupta	Director (Finance)	52,06,200	16,81,753	3,17,547	72,05,500
Shri Satish Kumar Vaduguri	Director (Marketing) (w.e.f. 28.10.2021)	19,98,923	-	2,09,453	22,08,376
Shri Dayanand Sadashiv Nanaware	Director (Pipelines) (w.e.f. 28.12.2021)	14,81,569	-	59,386	15,40,955
Ms Sukla Mistry	Director (Refineries) (w.e.f. 07.02.2022)	7,20,509	-	1,92,463	9,12,972

(₹)

Name	Designation	Salaries & Allowances	Performance Linked Incentive	Other Benefits & Perquisites	Total Remuneration
Shri Sujoy Choudhury	Director (Planning & Business Development) (w.e.f. 23.02.2022)	4,78,429	-	79,059	5,57,488
Shri G. K. Satish	Director (Planning & Business Development) (upto 31.08.2021)	86,81,910	8,49,067	25,29,458	120,60,435*
TOTAL		324,87,598	77,05,242	80,54,766	482,47,606

* Includes retirement benefits on superannuation

Note:

1. Performance Linked Incentives are payable to the Whole-time Directors as employees of the Company as per the policy applicable to all executives of the Company.
2. During the year no Stock Options were issued by the Company to Whole-time Directors.
3. The terms of appointment of the Whole-time Directors, as issued by the Government of India, provides for three months' notice period or salary in lieu thereof for severance of service.
4. The remuneration does not include the impact of provision made on actuarial valuation for retirement benefits / long-term schemes and provision made during the period towards Post Retirement Benefits as the same are not separately ascertainable for individual Directors.

The Government Nominee Directors are not paid any remuneration, sitting fees, etc.

The Independent Directors are not paid any remuneration except sitting fees of ₹ 40,000/- per meeting for attending meetings of the Board or Committees thereof. The sitting fees paid during 2021-22 is as under:

Name	Sitting Fees (₹)
Ms Lata Usendi	10,00,000
Shri Dilip Gogoi Lalung (w.e.f. 24.11.2021)	2,40,000
Dr Ashutosh Pant (w.e.f. 24.11.2021)	2,40,000
Dr Dattatreya Rao Sirpurker (w.e.f. 24.11.2021)	3,20,000
Shri Prasenjit Biswas (w.e.f. 24.11.2021)	2,80,000
Shri Sudipta Kumar Ray (w.e.f. 24.11.2021)	3,20,000
Shri Krishnan Sadagopan (w.e.f. 24.11.2021)	2,80,000
Shri Rajendra Arlekar (up to 10.07.2021)	2,80,000
TOTAL	29,60,000

Note: There were no other materially significant pecuniary relationships or transactions of the Independent Directors vis-à-vis the Company.

Shareholding of Directors

The details of equity shares of the Company held by the Directors as on 31.03.2022 are given below:

Sl. No.	Name	Designation	No. of equity shares
1.	Shri Shrikant Madhav Vaidya	Chairman	16,572
2.	Dr S. S. V. Ramakumar	Director (Research &Development)	9,300
3.	Shri Ranjan Kumar Mohapatra	Director (Human Resources)	9,600
4.	Shri Sandeep Kumar Gupta	Director (Finance)	10,872
5.	Shri Satish Kumar Vaduguri	Director (Marketing)	600
6.	Shri Dayanand Sadashiv Nanaware	Director (Pipelines)	2172
7.	Ms Sukla Mistry	Director (Refineries)	16572
8.	Shri Sujoy Choudhury	Director (Planning & Business Development)	13200
9.	Dr Navneet Mohan Kothari	Government Nominee Director	-
10.	Ms Lata Usendi	Independent Director	-
11.	Shri Dilip Gogoi Lalung	Independent Director	-
12.	Dr Ashutosh Pant	Independent Director	-
13.	Dr Dattatreya Rao Sirpurker	Independent Director	-
14.	Shri Prasenjit Biswas	Independent Director	-
15.	Shri Sudipta Kumar Ray	Independent Director	-
16.	Shri Krishnan Sadagopan	Independent Director	-

(c) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee examines the grievances of stakeholders / investors and the system of redressal of the same. It also approves issuance of share certificates. The Company endeavours to resolve complaints / grievances / queries of stakeholders / investors within a reasonable period of time.

The Committee comprised the following members as on 31.03.2022:

Name	Designation	Committee Position
Dr Ashutosh Pant	Independent Director	Chairman
Shri Dilip Gogoi Lalung	Independent Director	Member
Shri Ranjan Kumar Mohapatra	Director (Human Resources)	Member
Shri Sandeep Kumar Gupta	Director (Finance)	Member

The attendance at the meeting of the Stakeholders' Relationship Committee held during 2021-22 is given below:

Name	Meeting held on 24.02.2022
Dr Ashutosh Pant	√
Shri Dilip Gogoi Lalung	√
Shri Ranjan Kumar Mohapatra	√
Shri Sandeep Kumar Gupta	√

The Company Secretary acts as the Secretary of the Stakeholders' Relationship Committee and is also the Compliance Officer.

Details of Complaints Received and Redressed during 2021-22:

During the year, 7403 complaints were received, and all have been resolved. As on 31.03.2022, no complaints were pending. Further, during the year, 656 requests for court/ consumer forum cases, change of address, recording of nomination, issue of duplicate share certificates / dividend warrant, etc. were received, out of which 18 requests were pending as on 31.03.2022 and the same were subsequently addressed.

The Company has created a designated email-id investors@indianoil.in exclusively for investors to enable them to raise their grievances, if any.

(d) Corporate Social Responsibility & Sustainable Development Committee

The Company's Corporate Social Responsibility (CSR) is guided by its corporate vision of caring for the environment and the community. The Company believes that CSR is its continuing commitment to conduct business in an ethical and sustainable manner and to contribute to the economic well-being of the country, while improving the quality of life of the local community residing in the vicinity of its establishments and the society at large.

In line with the above vision, the Board has constituted a Corporate Social Responsibility & Sustainable Development (CSR & SD) Committee to recommend, monitor and administer activities under the Sustainability and CSR Policy and to also oversee its performance / implementation.

The Committee comprised the following members as on 31.03.2022:

Name	Designation	Committee Position
Ms Lata Usendi	Independent Director	
Dr Dattatreya Rao Sirpurker	Independent Director	
Shri Ranjan Kumar Mohapatra	Director (Human Resources)	
Shri Sandeep Kumar Gupta	Director (Finance)	
Shri Satish Kumar Vaduguri	Director (Marketing)	
Shri Sujoy Choudhury	Director (Planning & Business Development)	

Chairperson

Member

The attendance at the 10 meetings of the CSR & SD Committee held during 2021-22 is given below:

Name	Meeting held on									
	06.05.21	18.05.21	28.06.21	30.07.21	03.09.21	30.09.21	30.10.21	17.12.21	28.01.22	31.03.22
Shri Rajendra Arlekar (upto 10.07.2021)	√	√	√							
Shri G. K. Satish (upto 31.08.2021)	√	√	√	√						
Shri Ranjan Kumar Mohapatra	X	√	√	√	√	√	√	√	√	√
Shri Sandeep Kumar Gupta	√	√	√	√	√	√	√	√	√	√
Ms Lata Usendi (w.e.f. 15.07.2021)				√	√	√	√	√	√	√
Dr S. S. V. Ramakumar*						√	√	X	X	
Shri Satish Kumar Vaduguri (w.e.f. 28.10.2021)							√	√	√	X
Dr Dattatreya Rao Sirpurker (w.e.f. 24.11.2021)								√	√	√
Shri Sujoy Choudhury (w.e.f. 23.02.2022)										√

* Dr S.S.V. Ramakumar, Director (R&D) was holding additional charge of Director (P&BD) and attended the meetings in the capacity of Director (P&BD).

The Company Secretary acts as the Secretary of the CSR & SD Committee.

The CSR Policy is hosted on the website of the Company on the link https://www.iocl.com/policies.The CSR Report, as required under the Companies Act, 2013 for the year ended 31.03.2022 is annexed to the Director's Report.

(e) Risk Management Committee

The Company has constituted a Risk Management Committee to review the risk management process involving risk assessment and minimisation procedure as well as to approve the derivative transactions above US$100 million on a 'mark to market' basis.

The Committee comprised the following members as on 31.03.2022:

Name	Designation	Committee Position
Shri Shrikant Madhav Vaidya	Chairman, IndianOil	
Dr Ashutosh Pant	Independent Director	
Shri Sandeep Kumar Gupta	Director (Finance)	
Shri Satish Kumar Vaduguri	Director (Marketing)	
Ms Sukla Mistry	Director (Refineries)	
Shri Sujoy Choudhury	Director (Planning & Business Development)	
Shri Debasish Roy	Executive Director (F), Refineries & Chief Risk Officer	

Chairman

Member

The attendance at the two meetings of the Risk Management Committee held during 2021-22 is given below:

Name	Meeting held on 27.10.2021	Meeting held on 24.03.2022
Shri Shrikant Madhav Vaidya	√	√
Shri Sandeep Kumar Gupta	√	√
Dr S. S. V. Ramakumar*	√	
Ms Lata Usendi	√	
Dr Ashutosh Pant (w.e.f. 24.11.2021)		√
Shri Satish Kumar Vaduguri (w.e.f. 28.10.2021)		√
Ms Sukla Mistry (w.e.f. 07.02.2022)		√
Shri Sujoy Choudhury (w.e.f. 23.02.2022)		√
Shri Debasish Roy	√	√

* Dr S.S. V. Ramakumar, Director (R&D) was holding additional charge of Director (P&BD) and attended the meeting in the capacity of Director (P&BD).

(f) Other Board Committees:

In addition to the above committees, the Board has delegated certain powers to various committees with distinct roles and responsibilities. The composition of such committees as on 31.03.2022 is as under:

Sl. No.	Name of Committee	Role and Responsibilities	Members
1.	Project Evaluation Committee	To appraise projects costing ₹ 250 crore and above before the projects are submitted to the Board for approval.	- One Government Nominee Director - One Independent Director - Director(Human Resources) - Director(Finance) The Committee is headed by the Government Nominee Director.
2.	Marketing Strategies & Information Technology Oversight Committee	To evolve the strategies, policies, guidelines and take decisions on all matters relating to marketing activities of the Company including revival of dealerships / distributorships and to oversee the implementation of IT strategies of the Company.	- One Government Nominee Director - One Independent Director - Director (Refineries) - Director (Planning & Business Development) - Director (Finance) - Director (Marketing) The Committee is headed by the Government Nominee Director.
3.	Deleasing of Immoveable Properties Committee	To consider de-leasing of Company leased flats/ accommodation / immoveable properties.	- Chairman - Director (Finance) - Director (Human Resources) - Director (Marketing) - One Government Nominee Director The Committee is headed by the Chairman of the Company.
4.	Contracts Committee	To approve contracts beyond certain limits as provided in the Delegation of Authority of the Company.	All Whole-time Directors. The Committee is headed by the Chairman of the Company.
5.	Planning & Projects Committee	To consider and approve all project proposals above ₹ 100 crore and up to ₹ 250 crore.	All Whole-time Directors. The Committee is headed by the Chairman of the Company.
6.	LNG Sourcing Committee	To review the terms and condition of LNG sales and Purchase Agreement and recommend the same to Board for approval for purchase of LNG on long-term basis.	- Chairman - Director (Finance) - Director (Planning & Business Development) - Director (Refineries) The Committee is headed by the Chairman of the Company.
7.	Dispute Settlement Committee	To examine and give recommendation on the settlement proposals having financial implication of more than ₹ 25 crore for approval of the Board as per Conciliation Policy of the Company.	- Independent Directors - Director (Finance) - Concerned Functional Director - Co-opt additional Director, if any. The Committee is headed by an Independent Director.

The Company Secretary is the Secretary to all the Board Committees.

The composition of various committees of the Board of Directors is also hosted on the website of the Company.

There were no instances wherein recommendations made by any Board Committee were not accepted by the Board of the Company during 2021-22.

4. GENERAL MEETINGS

The Annual General Meeting (AGM) of the Company is held at Mumbai where the Registered Office is situated. The details of the AGM held for the past three years are as under:

	2018-19	2019-20	2020-21
Date and Time	28.08.2019 10:00 AM	21.09.2020 02:30 PM	27.08.2021 10.30 AM
Venue	Nehru Centre Auditorium, Discovery of India Building, Worli, Mumbai – 400 018.	In view of the Covid pandemic, the AGM was conducted Online through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	In view of the Covid pandemic, the AGM was conducted Online through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)
Special Resolutions Passed (nos.)	2	1	0

No Extraordinary General Meeting of the members was held during 2021-22.

5. POSTAL BALLOT

I. Approval of the members was sought through Postal Ballot through remote e-voting for appointment of Directors and approval of material related party transactions.

The postal ballot notice through e-mail was circulated to all the members on 21.03.2022. The remote e-voting period commenced on 22.03.2022 and ended on 20.04.2022. The resolutions were approved by the members with requisite majority and the result was announced on 22.04.2022. The Company had engaged the services of National Securities Depository Limited (NSDL) to provide the remote e-voting facility and Shri Nrupang Dholakia of Dholakia & Associates LLP, a practicing Company Secretary, as Scrutiniser for conducting the Postal Ballot, through the e-voting process. Six special resolutions were passed with requisite majority by the members for appointment of Independent Directors.

In accordance with the MCA circulars, The Postal Ballot Notice was sent only by electronic mode to those members, whose email address was registered with the Company/ Depositories and accordingly no postal ballot form and prepaid business envelopes were sent to the members.

II. Approval of the members sought through postal ballot for appointment of an Independent Director and capitalization of reserves of the Company for issue of bonus shares.

The postal ballot notice through e-mail was circulated to all the members on 23.05.2022. The remote e-voting period commenced on 24.05.2022 and ended on 22.06.2022. The Company had engaged the services of National Securities Depository Limited (NSDL) to provide the remote e-voting facility and Shri Nrupang Dholakia of Dholakia & Associates LLP, and in his absence Shri Vishvesh G. Bhagat of Dholakia & Associates LLP, a practicing Company Secretary, as Scrutiniser for conducting the Postal Ballot, through the e-voting process, in a fair and transparent manner. The result of the postal ballot was announced on 23.06.2022 and the resolutions were passed with requisite majority.

6. DISCLOSURES

a. Independent Directors' Meeting

During the year, the Independent Directors met on 16.03.2022 without the presence of Non-Independent Directors and members of the management.

b. Related Party Transactions

The Company has a policy on 'Materiality of Related Party Transactions and dealing with Related Party Transactions' which is hosted on the website of the Company and can be accessed at the following link: https://www.iocl.com/download/Policies/RPT_Policy.pdf

As per the policy, all related party transactions are approved by the Audit Committee. The Audit Committee had granted omnibus approval for related party transactions during 2021-22 in line with the provisions of the Companies Act, 2013, SEBI (LODR) and the policy on RPTs. A report on such transactions was submitted to the Audit Committee on a quarterly basis.

The Company has not entered into any materially significant related party transactions during the year. As required under the SEBI (LODR), the disclosure of Related Party Transactions on a consolidated basis in the prescribed format was filed with the Stock Exchanges and has also been hosted on the website of the Company.

c. Material Subsidiary Companies

The Company has a 'Policy for Determining Material Subsidiaries' and the same is hosted on the website of the Company and can be accessed at the following link: https://www.iocl.com/download/Policies/Material_Subsidiary_Policy.pdf

There were no material unlisted subsidiaries during 2021-22. The minutes of the Board Meetings of unlisted subsidiaries are submitted to the Board of the Company on a periodic basis.

d. Non-compliances / Strictures / Penalties during the last three years

There was neither any case of non-compliance, nor any penalties / strictures were imposed on the Company by the Stock Exchanges / SEBI or any other statutory authority on any matter related to capital markets during the last three years.

However, during the year, the Company received notices from the National Stock Exchange of India Limited (NSE) as well as the BSE Limited (BSE) regarding non-compliance with the provision of Reg. 17(1), 18(1) & 19(1) of SEBI (LODR) for the quarter ended June 2021, September 2021, December 2021 & March 2022 and imposition of monetary fine for not having requisite number of Independent Directors on the Board. In response to the notice, the Company wrote to the Exchange(s) clarifying that the shortfall in Independent Directors was not due to any negligence / default by the Company as the appointment of Directors is done by the Government of India. In view thereof, the Company has requested the Exchanges to waive-off the fines.

e. Proceeds from Public Issues, Right Issues, Preferential Issues etc.

During the year under review, the Company did not raise any proceeds from public issues, rights issues or preferential issues. However, the Company had issued Unsecured, Rated, Listed, Taxable, Redeemable, Non-Convertible Debentures of ₹ 10,00,000/- each (NCDs) amounting to ₹ 1,500 crore on a private placement basis. The funds were utilised for the purpose for which these were raised and there has been no deviation or variation in utilisation of funds.

f. Vigil Mechanism and Whistle-Blower Policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has laid down procedures and internal controls like Delegation of Authority, Standard Operating Procedures (SOP's), Conduct, Discipline and Appeal Rules for employees, etc. The Vigilance Department, which forms an important part of the vigil mechanism, undertakes participative, preventive and punitive action for establishing effective internal control systems and procedures for minimising systemic failures, with greater emphasis on participative and preventive aspects. The Government Auditors, Statutory Auditors and Internal Auditors are also important constituents of the vigil mechanism to review the activities of the Company and report observations on any deficiency or irregularities.

The Company has framed a Whistle-Blower Policy wherein the employees are free to report any improper activity resulting in violations of laws, rules, regulations or code of conduct by any of the employees, including leakage / misuse of unpublished price sensitive information in violation of IndianOil's Insider Trading Code, to the Competent Authority or Chairman of the Audit Committee, as the case may be. Any complaint received would be reviewed by the Competent Authority or Chairman of the Audit Committee. The policy provides that the confidentiality of those reporting violations shall be maintained and they shall not be subjected to any discriminatory practice. No employee has been denied access to the Audit Committee.

The Whistle-Blower policy is hosted on the website of the Company.

g. Code for Prevention of Insider Trading in securities of IndianOil and Practices and Procedure for Fair Disclosure

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons in listed or proposed to be listed securities of the Company ("the Code"). The Code aims at preserving and preventing misuse of unpublished price sensitive information. The code of practices and procedures for fair disclosure of unpublished price sensitive Information is hosted on the website of the Company.

h. CEO / CFO Certification

The Chairman and Director (Finance) of the Company have given the "CEO / CFO Certification" to the Board.

i. Integrity Pact

The Company has signed a Memorandum of Understanding (MoU) with Transparency International India (TII) in 2008 for implementing the Integrity Pact (IP) Program focused on enhancing transparency, probity, equity and competitiveness in its procurement process.

Presently, three Independent External Monitors (IEMs) have been nominated by the Central Vigilance Commission (CVC) to monitor the implementation of IP in all tenders, of the threshold value of ₹ 10 crore and above, across all Divisions of the Company.

During the year, 12 meetings with the IEMs were held. Based on the above threshold value, 579 tenders came under the purview of the IP during 2021-22 against which 28 complaints were received which were referred to the IEMs and deliberated within the year.

j. Relationship Between Directors

None of the Directors is inter-se related to other Directors of the Company.

k. Details of Familiarisation Programmes for Independent Directors

The details of familiarisation programmes imparted to Independent Directors are hosted on the website of the Company and can be accessed at the link https://iocl.com/download/IDFP.pdf

l. Outstanding Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Warrants or any Convertible instruments:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments and therefore there is no outstanding GDRs / ADRs / Warrants or any convertible instruments as on 31.03.2022.

m. Disclosure Regarding Commodity Price Risk and Hedging Activities

(i) Entity's Risk Management Policy w.r.t. Commodities and its Hedging:

The Company is exposed to a number of commodity price risks such as variation in refining margins, i.e. the difference between refined product price and crude price, risk of value erosion in inventory due to prices, risk of higher crude prices on crude consumed in refining system, risk of variation in prices of LNG on refinery consumption, risk of price variations on imports of petroleum products and LNG for marketing, etc.

The Company assesses these risks and based on potential of these risks being realised, appropriate hedging positions are undertaken using hedging tools allowed to be traded under laws in India to monitor & manage significant risks.

The Company has a Board-approved policy for the risk management covering the exposure towards commodities, commodity risk and hedged exposure.

(ii) Exposure to Commodity and Commodity Risks Faced Throughout the Year:

(a) Total Estimated Exposure of the Company to Commodities in INR:

The value of the total inventory held by the company for raw material, stock in process, finished goods and stock in trade as on 31.03.2022 was ₹ 98,243.68 crore.

(b) Exposure of the Company to Material Commodities:

Commodity Name	Exposure in INR towards the particular commodity#	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic Market		International market		Total
	₹ in crore	In MMT	OTC	Exchange	OTC	Exchange	
Refinery Margin	3,500	63.061	NIL	NIL	0.80%	NIL	0.80%
Inventory as on 31.03.2022							
- Crude Oil	3,900	6.943	NIL	NIL	NIL	NIL	NIL
- Finished Goods (including Stock in Trade)	4,800	6.455	NIL	NIL	NIL	NIL	NIL

Estimated Impact for each 10% variation in exposure has been given for the particular commodity

(c) Commodity Risks faced by the Company during the year and how they have been managed:

The primary commodity risk faced by the Company is the risk around price movement in crude oil, refined products and LNG. Any adverse movement in commodity prices may affect the margin. Similarly, any favourable movement in prices can also allow margins to rise. Hedging activities are targeted at fixing a price for reducing uncertainties/ volatilities in future cash flows.

n. Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Two complaints of sexual harassment were pending as on 01.04.2021. During the year, nine complaints were received, and five complaints were disposed-off. As on 31.03.2022, Six complaints were pending.

o. Fees Paid to Statutory Auditors

An amount of ₹ 5.11 crore is paid / payable to the Statutory Auditors of the Company for the year 2021-22 towards various services rendered by them.

p. Compliance Report on Corporate Governance

The Company has submitted the quarterly / half yearly / annual compliance report on Corporate Governance in the prescribed format to the stock exchange(s) within the prescribed time period. The same is also hosted on the website of the Company.

q. Compliance with the Mandatory Requirements of SEBI (LODR)

The Company adheres to the provisions of the laws and guidelines of regulatory authorities including SEBI and covenants in the agreements with the Stock Exchanges and Depositories. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and Regulation 46(2)(b) to 46(2)(i) of the SEBI (LODR), except as given below:

- Composition of the Board of Directors with regard to not less than fifty per cent of the Board as Non-Executive Directors for the period 01.04.2021 to 23.11.2021.
- Composition of Board of Directors with regard to at least 50% Independent Directors for the period 01.04.2021 to 23.11.2021 & 07.02.2022 to 31.03.2022.
- Composition of Audit Committee with regard to atleast 2/3rd of Independent Directors for the period 11.07.2021 to 23.11.2021.
- Composition of Nomination and Remuneration Committee with regard to 50% Independent Directors for the period 11.07.2021 to 23.11.2021.
- Performance evaluation of Directors by the Board of Directors.

The Company, being a Government Company under the administrative control of the Ministry of Petroleum & Natural Gas (MoP&NG), the power to appoint Directors (including Independent Directors) and their performance evaluation vests with the Government of India.

The Company is following up with the MoP&NG on a regular basis to appoint the requisite number of Directors to ensure compliance with SEBI (LODR).

r. Adoption of the Non-mandatory Requirements of SEBI (LODR)

The Company has not adopted any discretionary requirements provided under Part E of Schedule II of SEBI (LODR).

The Statutory Auditors have expressed un-modified opinion on the Financial Statements for the year 2021-22.

s. Guidelines on Corporate Governance by Department of Public Enterprise (DPE)

The Company is complying with all the requirements of the DPE Guidelines on Corporate Governance except with regard to composition of the Board as stated in para (q) above.

The Company also scrupulously follows the Presidential Directives and guidelines issued by the Government of India regarding reservation in services for SC / ST / OBC / PwBD (Persons with Benchmark Disabilities) / Ex-servicemen / Economically Weaker Sections (EWSs) to promote inclusive growth.

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

The regular administrative and office expenses were 1.09% of total expenses during 2021-22 as against 1.31% during the previous year.

7. MEANS OF COMMUNICATION

a. Financial Results

The quarterly audited/unaudited financial results are announced within the time prescribed under the SEBI (LODR). The results are published in leading newspapers like The Economic Times, Business Standard, The Hindu Business Line, The Financial Express, Mint and Maharashtra Times (Marathi Newspaper). The financial results are also hosted on the Company's website www.iocl.com. The Company issues news releases on significant corporate decisions / activities and posts them on its website as well as notifies the stock exchanges as and when deemed necessary.

b. Conference call with Investors

The Company participates in conference calls to discuss the quarterly / annual financial performance of the Company and prior intimation thereof is given to the stock exchanges and is also hosted on the website of the company.

c. News Releases

Official press releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website.

d. Website

The Company's website www.iocl.com provides a separate section for investors where relevant member information is available. The Annual Report of the Company is also hosted on the Company's website.

e. Annual Report

The Annual Report is circulated to members and others entitled thereto. The Management Discussion and Analysis (MDA) Report and Corporate Governance Report forms part of the Annual Report.

f. Chairman's Speech at AGM

The Chairman read out his speech at the AGM which was held through VC / OAVM on 27.08.2021. The same was also placed on the website of the Company for information of the members.

g. Webcast of AGM Proceedings

The AGM for the year 2020-21 was held through VC / OAVM. The Company provided live webcast of the proceedings of the AGM held on 27.08.2021 and the members were also provided option to ask queries and interact with the management of the Company.

h. Investor Service Cell

The Investor Service Cell exists at Registered Office of the Company in Mumbai and the Corporate Office in New Delhi as well as at KFin Technologies Limited, Registrar & Transfer Agent (RTA) office in Hyderabad to address the grievances / queries of members / debenture holders.

To facilitate the investors to raise queries / grievances through electronic mode, separate e-mail ID viz. investors@indianoil.in & einward.ris@kfintech.com has been provided.

i. SCORES (SEBI Complaints Redressal System)

SEBI has provided a centralised web-based complaints-redressal system named, SCORES, through which an investor can lodge complaint(s) against a Company for his grievance.

j. Green Initiative – Service of Documents in Electronic Form

The provisions of the Companies Act, 2013 and rules made thereunder permit paperless communication by allowing service of all documents in electronic mode. Further, the Ministry of Corporate Affairs (MCA) as well as the SEBI, in view of the ongoing Covid-19 Pandemic, has permitted that all communication to members may be served electronically. In compliance thereof, the Company has adopted the practice of sending communications, including Annual Report, through email to those members whose email id is available as per registered records and physical copy to those who has requested for physical copy.

8. GENERAL MEMBER INFORMATION

(a) Annual General Meeting:

Date, Time and Mode of the Annual General Meeting	Thursday, 25.08.2022 at 10:00 AM Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)

(b) Financial Year:

The Financial Year of the Company is from April 1, to March 31. The financial calendar to approve quarterly / annual financial results for the year 2022-23 is given below:

Quarter ending June 30, 2022	On or before August 14, 2022
Quarter ending September 30, 2022	On or before November 14, 2022
Quarter ending December 31, 2022	On or before February 14, 2023
Quarter and year ending March 31, 2023	On or before May 30, 2023

The trading window closure period for dealing in securities of the Company is informed to the stock exchanges and also hosted on the website of the Company. The Trading Window generally remains closed for 'Insiders' of the Company from the end of each quarter till 48 hours after the financial results for the quarter are filed with stock exchanges and become generally available, unless otherwise informed by Company Secretary.

(c) Dividend:

During the year, the Company declared Interim Dividend(s) of ₹ 5 & ₹ 4 per share in the month of October 2021 & January 2022 respectively which were paid to the eligible members within the stipulated period of 30 days, as provided under the Companies Act, 2013.

In addition, a final dividend of ₹ 3.60 per equity share (36%) (pre-bonus), which translates into final dividend of ₹ 2.40 per equity share (post bonus) having face value of ₹ 10/- each, as recommended by the Board of Directors, subject to approval of the members of the company, shall be paid to the eligible members within the stipulated period of 30 days, as provided under the Companies Act, 2013, after the AGM.

The Company has fixed Friday, 12.08.2022 as the Record Date to ascertain the eligibility of members to receive the final dividend, if declared at the AGM.

(d) Bonus:

The Board has recommended issue of Bonus Shares in the ratio of 1:2 i.e. One new bonus equity share of ₹ 10/- each for every Two existing equity shares of ₹ 10/- each fully paid up. The Board has fixed 01.07.2022 as record date to determine the eligibility of members to receive bonus shares, subject to the approval of members through postal ballot.

(e) Listing of Securities on Stock Exchanges:

- The equity shares of the Company are listed on the BSE and the NSE. The address of the BSE & NSE is provided in the Annual Report.
- The debt securities issued by the Company are listed on the Debt Segment of the BSE and the NSE. The Company has appointed SBICAP Trustee Company Limited as the Debenture Trustee for the debt securities.

- The Company has paid listing fees in respect of its listed securities to both the stock exchanges for the year 2021-22. In addition, the Commercial Papers issued by the Company are also listed on the BSE & the NSE.

(f) Corporate Identity Number (CIN):

The Company is registered with the Registrar of Companies (RoC) in the State of Maharashtra, India. The CIN allotted to the Company by the MCA is L23201MH1959GOI011388.

(g) ISIN Number of Equity Shares : INE 242A01010

(h) Stock Code at BSE : 530965

(i) Stock Code at NSE : IOC

(j) Details of Debentures outstanding as on 31.03.2022 :

Series	ISIN	Issue Date	Maturity	Tenure	Rate of Interest	Issue Size (₹ crore)
XIV	INE242A08437	22.10.2019	22.10.2029	10 Years	7.41%	3000.00
XV	INE242A08445	14.01.2020	14.04.2023	3 Years 3 Month	6.44%	2000.00
XVI	INE242A08452	06.03.2020	06.03.2025	5 Years	6.39%	2995.00
XVII	INE242A08460	27.05.2020	25.11.2022	2 Years 6 Month	5.05%	3000.00
XVIII	INE242A08478	03.08.2020	11.04.2025	4 Years 8 Month 8 Days	5.40%	1625.00
XIX	INE242A08486	20.10.2020	20.10.2025	5 Years	5.50%	2000.00
XX	INE242A08494	25.01.2021	23.01.2026	4 Years 11 Month 29 Days	5.60%	1290.20
XXI	INE242A08502	18.02.2022	18.02.2027	5 Years	6.14%	1500.00

(k) Stock Market Data:

The market price and volume of the Company's equity shares (face value ₹ 10 each) traded on the BSE & NSE during 2021-22 are given below:

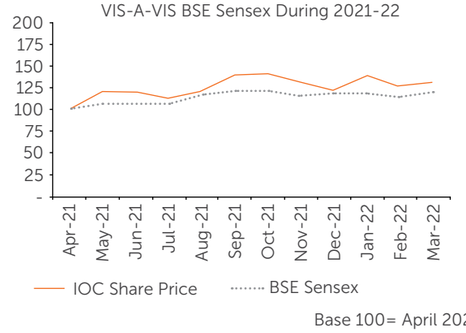
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April, 2021	93.75	86.70	17656719	93.70	86.75	246403650
May, 2021	113.65	89.60	46592949	113.70	89.55	727901721
June, 2021	117.85	107.60	20481335	117.85	107.60	314647182
July, 2021	109.70	102.85	12532751	109.75	102.90	195976146
August, 2021	111.25	101.90	23746365	111.30	101.90	237904128
September, 2021	128.55	109.05	22901265	128.50	109.00	260218121
October, 2021	139.00	125.00	21098417	140.00	125.00	239772141
November, 2021	141.75	117.00	17813033	141.50	117.85	218876185
December, 2021	123.30	108.25	18221261	123.35	108.15	227250326
January, 2022	128.00	111.35	13139927	128.00	111.35	185962312
February, 2022	127.00	109.45	16860830	126.00	109.30	230320901
March, 2022	125.00	111.30	19438368	124.85	111.20	413481532

(l) Stock Price Performance in Comparison to Broad-based Indices:

During 2021-22, the equity share price of the Company opened at ₹ 92.00 (on 01.04.2021) and closed at ₹ 118.95 (on 31.03.2022) on the BSE, thereby increasing by 29.29%. During the same period, the BSE SENSEX opened at 49,869 and closed at 58,569, thereby increasing by 17.44%. The NSE NIFTY opened at 14,798 and closed at 17,465, thereby increasing by 18.02%.

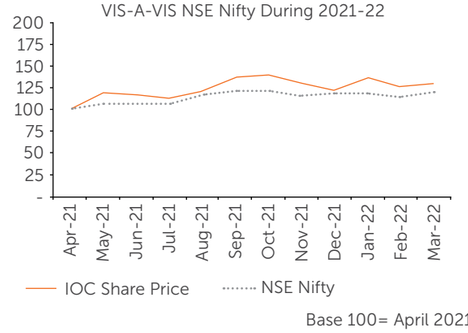
The relative comparison (on base of 100) of the monthly closing price of the Company's equity share vis-a-vis BSE SENSEX and NSE NIFTY during 2021-22 are given below:

Relative Movement of IndiaOil Share closing price VIS-A-VIS BSE Sensex During 2021-22



Base 100= April 2021

Relative Movement of IndiaOil Share closing price VIS-A-VIS NSE Nifty During 2021-22



Base 100= April 2021

(m) Registrar & Transfer Agents (RTA) :

KFin Technologies Limited
Selenium Tower B, Plot 31-32,
Financial District, Nanakramguda,
Hyderabad – 500 032
Tel. No. : (040) 67162222
Toll Free No. : 1800 309 4001
E-mail Address : einward.ris@kfintech.com
Website : www.kfintech.com

(n) Share Transfer System:

The equity shares of the Company are traded in dematerialised form. In compliance with SEBI guidelines, no physical transfer of shares is allowed.

SEBI vide its circular dated 25.01.2022 has mandated that all listed entities shall issue the securities in dematerialised form only while processing the requests for issue of duplicate share certificates, transmission, transposition etc.

(o) Distribution of Shareholding as on 31.03.2022:

Sl. No.	Nominal Value of Equity Shares (₹)	No. of Members (Folios)	% of Members	Amount (₹)	% of Amount
1.	1 - 5000	12,30,338	89.92	94,27,69,790	1.00
2.	5001 - 10000	60,009	4.39	47,05,81,750	0.50
3.	10001 - 20000	32,235	2.36	48,19,60,750	0.51
4.	20001 - 30000	13,818	1.01	34,43,48,930	0.37
5.	30001 - 40000	6,495	0.47	23,27,77,260	0.25
6.	40001 - 50000	4,773	0.35	22,23,91,090	0.24
7.	50001 - 100000	9,693	0.71	70,90,34,540	0.75
8.	100001 & Above	10,906	0.80	90,73,77,25,110	96.39
	Total	**13,68,267**	**100.00**	**94,14,15,89,220**	**100.00**

(p) Shareholding Pattern as on 31.03.2022:

Sl. No.	Category	Members (Folios)		Equity Shares	
		No.	%	No.	%
	PROMOTER SHAREHOLDING				
1.	President of India	1	0.00	484,81,33,178	51.50

Sl. No.	Category	Members (Folios)		Equity Shares	
		No.	%	No.	%
	PUBLIC SHAREHOLDING				
2.	Governor of Gujarat	1	0.00	1,08,00,000	0.11
3.	Government Company (Oil & Natural Gas Corporation Limited)	1	0.00	133,72,15,256	14.20
4.	Government Company (Oil India Limited)	1	0.00	48,55,90,496	5.16
5.	Corporate Bodies	2,069	0.15	4,24,98,308	0.45
6.	FIIs/NRIs / FPIs	11,447	0.84	80,09,73,562	8.51
7.	Banks / Indian Financial Institutions	25	0.00	12,80,216	0.01
8.	Mutual Funds	90	0.01	21,58,51,960	2.29
9.	Insurance Companies	7	0.00	5,76,33,496	0.61
10.	Public	13,54,214	98.97	52,02,44,933	5.53
11.	Trusts	101	0.01	23,42,82,211	2.49
12.	Investor Education & Protection Fund	1	0.00	37,19,339	0.04
13	Others	309	0.02	85,59,35,967	9.10
	Total	**13,68,267**	**100.00**	**941,41,58,922**	**100.00**

(q) Top 10 members as on 31.03.2022:

Sl. No.	Name	No. of Equity Shares	% To Equity Shares
1.	President of India	4,84,81,33,178	51.50
2.	Oil and Natural Gas Corporation Limited	1,33,72,15,256	14.20
3.	Life Insurance Corporation of India	74,92,64,496	7.96
4.	Oil India Limited	48,55,90,496	5.16
5.	IOC Shares Trust	23,31,18,456	2.48
6.	SBI Mutual Fund	11,52,36,555	1.22
7.	ICICI Prudential Mutual Fund	4,42,45,177	0.47
8.	SBI-SG Global Securities Services Pvt. Ltd.	4,37,19,103	0.46
9.	Vanguard Emerging Markets Stock Index Fund	3,89,18,057	0.41
10.	Vanguard Total International Stock Index Fund	3,52,88,102	0.37

(r) Dematerialisation of Equity Shares and Liquidity:

The equity shares of the Company are traded in dematerialised form. To facilitate the members to dematerialise the equity shares, the Company has entered into an agreement with NSDL and CDSL. The summarised position of members in Physical and Demat segment as on 31.03.2022 is as under:

Type of Shareholding	Members (Folios)		Shareholding	
	No.	%	No.	%
Physical	3,513	0.26	1,34,63,378	0.14
NSDL	4,18,019	30.55	783,51,60,010	83.23
CDSL	9,46,735	69.19	156,55,35,534	16.63
TOTAL	**13,68,267**	**100.00**	**941,41,58,922**	**100.00**

(s) Corporate Action:

i) Dividend History :

The Company has been consistently declaring dividend. The dividend paid during the last 10 financial years is given below:

Year	Rate (%)	Remarks
2011-12	50 %	-
2012-13	62 %	-
2013-14	87 %	-
2014-15	66 %	-
2015-16	140 %	Includes Interim Dividend of 55%
2016-17	190 %	Includes interim dividend of 180%
2017-18	210%	Includes Interim Dividend of 190%
2018-19	92.50%	Includes Interim Dividend of 82.50%
2019-20	42.50%	Interim Dividend of 42.50%. No final dividend was declared.
2020-21	120%	Includes Interim Dividend of 105%

ii) Bonus Issue Since Listing of the Equity Shares:

Year	Ratio
1999-00	1:1
2003-04	1:2
2009-10	1:1
2016-17	1:1
2017-18	1:1

(t) Unclaimed Dividend and Equity Shares Transferred to Investor Education and Protection Fund (IEPF) Authority:

Section 124 of the Companies Act, 2013 provides that any dividend that has remained unpaid / unclaimed for a period of seven years from the date of transfer to an unpaid dividend account shall be transferred to the Investor Education and Protection Fund (IEPF), established by the Central Government.

The Company annually sends reminder letters to the members, advising them to lodge their claim for such unpaid dividend. Thereafter the unclaimed / unpaid dividend is transferred to the IEPF authority on the due date. Accordingly, the unclaimed dividend of ₹ 1,37,58,406/- for the Financial Year 2013-14 was transferred to the IEPF authority on 13.10.2021.

The details of dividend which remains unpaid / unclaimed as on 31.03.2022 are given below:

Year	Amount (₹)
2014-15 (Final)	1,40,36,569.80
2015-16 (Interim)	1,34,90,031.50
2015-16 (Final)	2,10,07,053.50
2016-17 (1st Interim)	5,82,30,860.86
2016-17 (2nd Interim)	2,06,87,216.00
2016-17 (Final)	53,96,067.00
2017-18 (Interim)	7,05,16,011.00
2017-18 (Final)	1,84,75,418.00
2018-19 (1st Interim)	4,71,48,358.50
2018-19 (2nd Interim)	1,18,28,462.00
2018-19 (Final)	77,89,021.00
2019-20 (Interim)	3,55,03,641.50
2020-21 (1st Interim)	4,82,68,826.50
2020-21 (2nd Interim)	2,22,52,748.00
2020-21 (Final)	1,09,90,904.00
2021-22 (1st Interim)	3,08,55,775.00
2021-22 (2nd Interim)	3,01,08,225.00
Total	**46,65,85,189.16**

The IEPF rules notified by the MCA further provides that details of all unclaimed / unpaid dividend as on the closure of year, shall be filed with the MCA and also hosted on the website of the Company within 60 days from the date of the AGM. Accordingly, the Company has filed the information as on March 31, 2021 with the MCA and also hosted it on the Company's website within the prescribed period.

Section 124(6) of the Companies Act, 2013, read with rules made thereunder, provides that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of the IEPF. Section 125 further provides that a member whose dividend amount / shares have been transferred to the IEPF shall be entitled to claim a refund therefrom.

In line with the IEPF Rules, the Company sends reminder letters to all such members, whose dividend has remained unpaid / unclaimed for a consecutive period of seven years with a request to claim the dividends, failing which the equity shares would be transferred to the IEPF Authority on the due date.

Accordingly, all such equity shares in respect of which dividend had remained unpaid/unclaimed for a consecutive period of seven years, were transferred to the demat account of the IEPF authority on 23.10.2021. The details of such equity shares are hosted on the website of the Company.

The summary of equity shares lying in the demat account of IEPF authority is given below:

Particulars	No. of Shares
Equity Shares in the demat account of IEPF Authority as on 01.04.2021	34,74,480
Add: Equity Shares transferred to demat account of IEPF authority on19.11.2020 29.11.18	2,95,483
Less: Equity Shares refunded by the IEPF authority to the investor	50,624
Equity Shares in the demat account of IEPF Authority as on 31.03.2022	37,19,339

The procedure for claiming the unpaid dividend amount and equity shares transferred to the IEPF Authority is provided on the link: http://www.iepf.gov.in/IEPF/refund.html

(u) Credit Rating

The credit rating assigned to the Company for various debt instruments by rating agencies is as under:

Instrument	Rating Agency	Rating	Outlook
Senior unsecured Debt - Foreign Currency	Moody's	Baa3	Stable*
Senior unsecured Debt - Foreign Currency	Fitch	BBB-	Negative
Non-Convertible Debenture	CRISIL	CRISIL AAA	Stable
Non-Convertible Debenture	India Ratings	IND AAA	Stable
Non-Convertible Debenture	ICRA	[ICRA] AAA	Stable
Bank Facilities - Long Term	CRISIL	CRISIL AAA	Stable
Bank Facilities - Short Term	CRISIL	CRISIL A1+	-
Commercial Paper	ICRA	[ICRA] A1+	-
Commercial Paper	India Ratings	IND A1+	-

* Moody's Investors Service has changed the Outlook of IOCL "long-term issuer rating" from "Negative" to "Stable" in October 2021.

(v) Plant Locations:

The addresses of the plant locations are given elsewhere in the Annual Report.

(w) Address for Correspondence:

Company Secretary
Indian Oil Corporation Limited
IndianOil Bhavan
G-9, Ali Yavar Jung Marg
Bandra (East)
Mumbai - 400051
Tel. No. : (022) 26447327 / 26447150
E-mail ID : investors@indianoil.in

G. S. MATHUR & CO.
Chartered Accountants
A-160, Ground Floor
Defence Colony,
New Delhi – 110024

K C MEHTA & CO LLP
Chartered Accountants
Meghdhanush,
Race course Circle,
Vadodara - 390007

SINGHI & CO.
Chartered Accountants
161, Sarat Bose Road,
West Bengal,
Kolkata - 700026

S R B & ASSOCIATES
Chartered Accountants
A 3/7, Gillander House
8, N.S. Road,
Kolkata - 700001

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO
THE MEMBERS OF INDIAN OIL CORPORATION LIMITED

1. We have examined the compliance of conditions of Corporate Governance by Indian Oil Corporation Limited ("the Company") for the year ended March 31, 2022, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and part C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended ("SEBI LODR") and the guidelines on Corporate Governance for Central Public Sector Enterprises, as enunciated by the Department of Public Enterprises ("DPE").

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the SEBI LODR, issued by the Securities and Exchange Board of India as well as guidelines issued by the DPE.

Auditor's Responsibility

4. We have conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on 'Reports or Certificates for Special Purposes' and the Guidance Note on 'Certification of Corporate Governance', both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on 'Reports or Certificates for Special Purposes' requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

6. The procedure selected depends on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria.

7. The procedures include but is not limited to verification of secretarial records and financial information of the Company. We have obtained necessary representations and declarations from directors including independent directors of the Company.

8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has, in all material respects, complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and part C and D of Schedule V to the SEBI LODR for the year ended March 31, 2022 as well as guidelines issued by the DPE except for the following:

    a. Regulation 17(1)(a) of SEBI LODR, regarding the requirement of having not less than 50% of the Board of Directors as Non-Executive Directors for the period 01.04.2021 to 23.11.2021.

    b. Regulation 17(1)(b) of SEBI LODR, regarding the requirement of having at least half of the Board of Directors as Independent Director for the period 01.04.2021 to 23.11.2021 and 07.02.2022 to 31.03.2022.

    c. Regulation 18(1)(b) of SEBI LODR, regarding the requirement of having at-least two-third of the members of the Audit Committee as Independent Directors for the period 11.07.2021 to 23.11.2021.

    d. Regulation 19(1)(c) of SEBI LODR, regarding the requirement of having at-least fifty percent of the members of the Nomination & Remuneration Committee as Independent Directors for the period 11.07.2021 to 23.11.2021.

10. In view of exemption provided to Government Companies, vide notification dated June 5, 2015 issued by Ministry of Corporate Affairs, from complying with the provision of section 134(3)(p) of the Companies Act 2013, the Company has not complied with regulation 17(10) of the SEBI (LODR), Regulations 2015 which requires performance evaluation of Independent Directors by the entire Board of Directors and regulation 25(4) of the SEBI LODR which requires review of performance of Non-Independent Directors, the Board of Directors as a whole and the Chairperson of the Company by the Independent Directors.

Other Matters and Restrictions on use

11. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

12. The certificate is addressed and provided to the members of the Company solely for the purpose of complying with the requirement of the SEBI LODR, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For G. S. MATHUR & CO.	**For K C MEHTA & CO LLP**	**For SINGHI & CO.**	**For S R B & ASSOCIATES**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn. No. 008744N	Firm Regn. No. 106237W/W100829	Firm Regn. No. 302049E	Firm Regn. No. 310009E
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Neela R. Shah)**	**(Shrenik Mehta)**	**(Bisworanjan Sutar)**
Partner	Partner	Partner	Partner
M. No. 091007	M. No. 045027	M. No. 063769	M. No. 066708
UDIN: 22091007ALYVAT9145	UDIN: 22045027ALYXXM5755	UDIN: 22063769ALYVCU7197	UDIN: 22066708ALZGHX6
New Delhi	Vadodara	Kolkata	Bhubaneswar

Date: 30-06-2022

MANAGEMENT'S DISCUSSION & ANALYSIS



A Year of Steadfast Resilience

The year 2021-2022 offered clear reminders that our world is more connected than ever and how events occurring elsewhere in the world could significantly affect other countries and people. It was a year full of monumental events with global repercussions, including extreme weather events, the ongoing pandemic and geopolitical upheavals. Navigating the year required fortitude, resilience, and unwavering dedication; all of which, thankfully, were amply displayed by humanity.

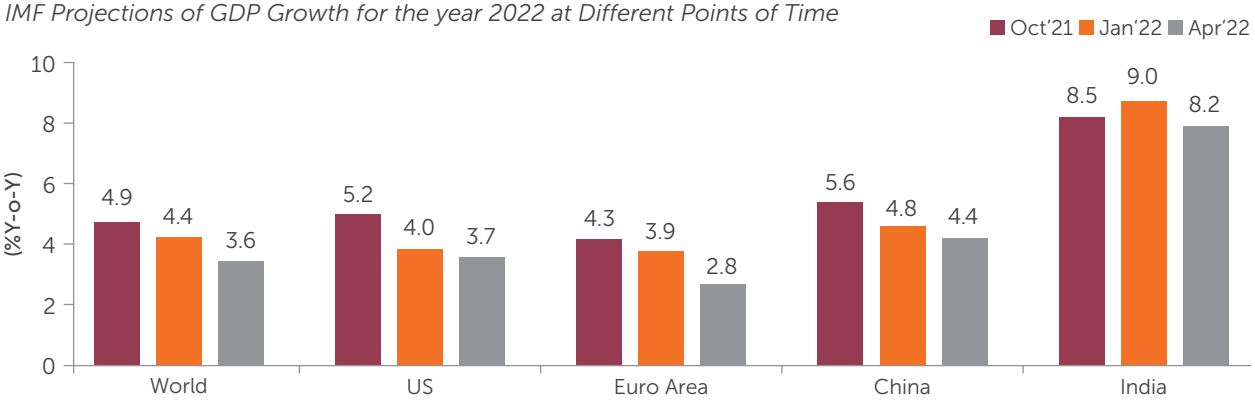
The Economic Backdrop

Global Economy

During the year 2021, the global economy recovered, posting 6.1% Y-o-Y growth, after having contracted by 3.2% in 2020.Large-scale vaccination and a more nuanced approach toward restrictions, mitigated the trade-off between economic growth and Covid-19 prevention, despite the onslaught of the Delta wave in the early part of 2021 and the highly contagious Omicron wave in the later part. There has been a perceptible fall in Covid-19 stringency indices across most parts of the world, including lifting of the mask mandate, with most governments having adopted an approach of 'learning to live with the virus.' On the other hand, since March 2022, China has been facing its worst Covid-19 surge since the pandemic began, and its Zero Covid Policy has dented economic activity in the country. With the Russia-Ukraine conflict in late February, the narrative is shifting from 'Covid to Conflict' and global growth projections have since then been downgraded in view of the economic damage caused by the war, with concerns of a prolonged slowdown in China adding to the downside risks.

Shifting Global Economic Outlook

IMF Projections of GDP Growth for the year 2022 at Different Points of Time



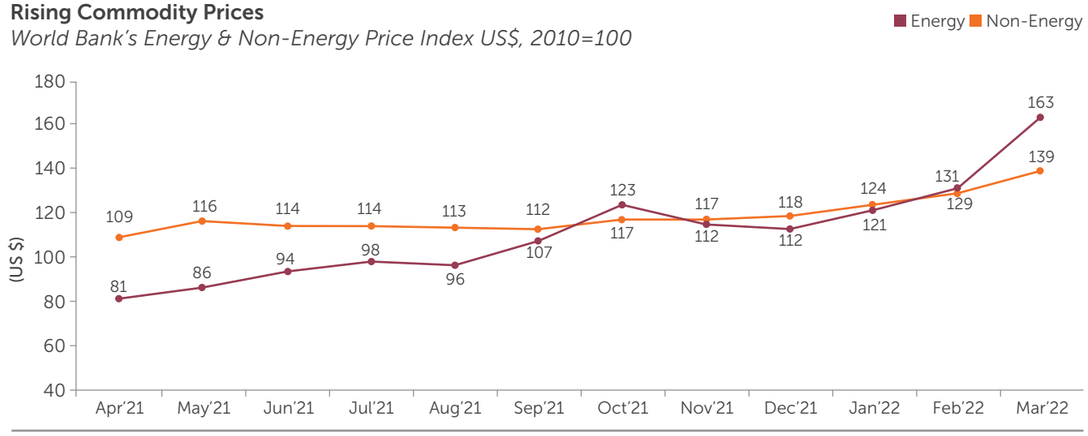
Source: International Monetary Fund (IMF)'s World Econonomic Outlook Reports,
Note:2022 for India refers to the year 2022-23

Inflation has emerged as the biggest macroeconomic worry for policy-makers across the globe, having risen to multi-decade highs, especially in advanced countries. Central banks have, therefore, started tightening their monetary policies and raising interest rates. The global economy witnessed severe supply chain bottlenecks and shortages (of semi-conductors, natural gas, coal etc.) as pent-up demand overlapped with disrupted production with shutting down of ports, and delays in orders for new shipping vessels.

Between April 2021 and March 2022, energy prices on an average doubled and non-energy prices rose by close to 30%. While the increase in prices was more or less steady through the year, it got exacerbated by the Russia-Ukraine conflict, as Russia and Ukraine are large exporters, particularly of energy, fertilisers, metals and grains such as wheat.

Rising Commodity Prices

World Bank's Energy & Non-Energy Price Index US$, 2010=100



Source: World Bank

Indian Economy

At home, the Indian economy recovered, with 8.7% growth in 2021-22, which mitigated the GDP loss experienced in 2020-21. Real GDP in 2021-22 (2011-12 prices) stood at ₹ 147.3 lakh crore surpassing 2019-20's real GDP (2011-12 prices) of ₹ 145 lakh crore. While growth in 2021-22 came on a low base, the economy was able to tide over the impact of the two pandemic waves during the year. The Delta wave in the first quarter of 2021-22 severely affected the services sector, after which the sector rebounded with sequential opening up of high contact sectors. The services sector has been a key driver of India's turnaround, while the industrial sector witnessed a broad-based recovery. However, towards the end of the year, growth in industrial sector slowed down and became uneven, with demand for consumer goods particularly being sluggish.

On the agriculture front, the growth momentum was maintained, thereby providing support to overall economic activity. Transport activity recovered across the board in railways, ports, aviation, and vehicular sales, barring two-wheeler sales. Moreover, towards the end of the year, mobility indicators shot past the pre-pandemic base line and continued the trajectory as educational institutions and offices opened. Consumer confidence continued to be on a recovery path, since the first quarter of 2021-22, however, it continues to remain below the pre-pandemic levels. Credit growth picked up towards the end of the year, with non-food credit growing by 8.7% in 2021-22 (up from 5.5% in 2020-21), which was the highest in the last five years. Further, during the year, investment climate also improved; as new investment projects worth ₹ 15.6 lakh crore were announced, an almost 100% jump from announcements made in 2020-21.

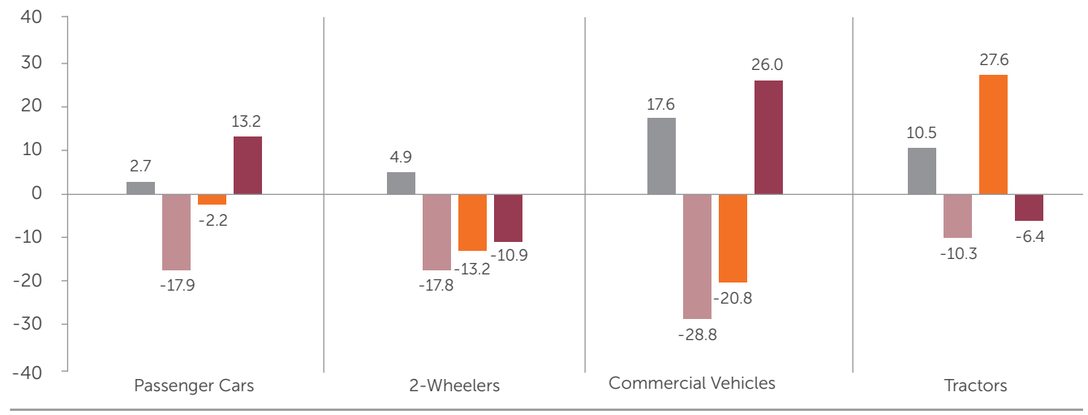
On the macroeconomic front, inflation, on account of structural and domestic supply-side constraints, besides the global spillages, emerged as a major area of concern. After some softening towards the middle of 2022, retail inflation crossed the RBI's tolerance band and remained on an increasing trend. While the RBI kept the interest rates unchanged during the year, an out-of-cycle rate hike in May 2022 marked the beginning of its battle with inflation while talking about exchange rates, average Rupee/Dollar exchange rate depreciated moderately in 2021-22 to ₹ 74.51/US$ from ₹ 74.20/US$. However, the Rupee faced headwinds towards the end of the year with the Russia-Ukraine conflict exacerbating commodity prices and capital outflows from India and also putting pressure on the fiscal and balance-of-payment accounts.

The fundamentals of the Indian economy continue to be strong, and it is expected to gain from the Government of India's renewed focus on infrastructure creation and enhancement of manufacturing activity through various measures. The economy is gradually gaining momentum, as shown by high-frequency indicators such as GST collections, E-Way bills, railway freight, air traffic, power consumption and so on.

However, headwinds in the form of high inflation owing to surging commodity and energy prices and weaking of the Rupee may pose downside risks.

Mixed Performance of Indian Auto Sector

Domestic Auto Sales (% Y-o-Y)



Source: Centre for Monitoring Indian Economy

Energy Sector Developments

Global Energy Sector

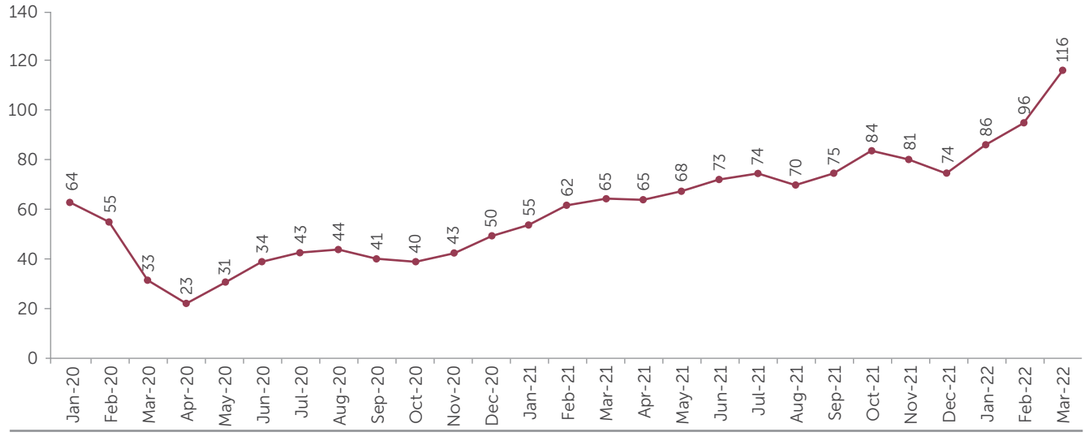
For the energy sector, the major theme during the year was Net Zero transition. Government representatives from nearly 200 countries reached a deal at the 26th United Nations Climate Change Conference of the Parties (COP26) called the Glasgow Climate Pact, under which, for the first time, nations were called upon to phase down unabated coal usage for power generation, besides inefficient subsidies for fossil fuels. Today, more than 130 countries have taken up Net Zero commitments, with India being a major new addition. On the other hand, while the world made commitments for greening its energy mix over the long term, it also came face to face with acute shortages of conventional energy.

In the latter half of 2021, prices of gas, coal and electricity soared to unprecedented levels, which saw Europe scrambling for gas supplies and power shortages in many provinces in China. The Russia-Ukraine conflict, that began towards the end of February 2022, came as a major shock to the energy sector. Global oil prices (Dated Brent) crossed US$137/bbl in March 2022 (on March 8, 2022), a level unseen during last eight years. Overall, crude oil prices (Brent) increased from average US$44.8/bbl in 2020-21 to US$ 80.0/bbl in 2021-22. The World Bank Natural Gas Price Index increased from 45.5 in 2020 to 130.7 in 2021.In early March, gas prices shot up significantly with LNG West India Marker spiking to US$ 84.4/MMbtu on March 7, 2022.

The fundamentals of the Indian economy continue to be strong, and it is expected to gain from the Government of India's renewed focus on infrastructure creation and enhancement of manufacturing activities through various measures. **The economy is gradually gaining momentum, as shown by high-frequency indicators such as GST collections, E-Way bills, railway freight, air traffic, power consumption and so on**.

International Oil Prices

Brent (US$/bbl)



Source: World Bank

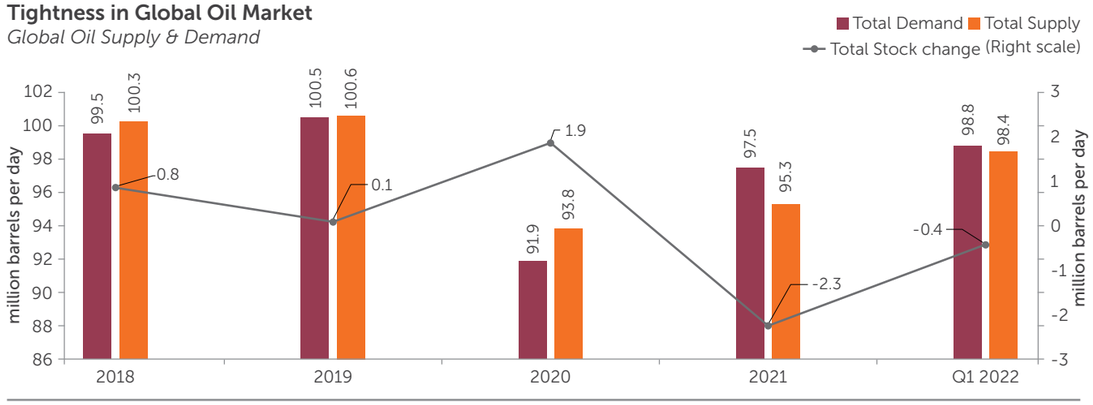
While, the Russia-Ukraine conflict has compounded the issue of price increase, the tension in the global energy markets has pre-dated this crisis. In April 2020, the OPEC+ had undertaken a historic production cut to the tune of 10 mbpd to bring in a balance in the markets in the face of shrinking demand, with many economies entering lockdowns. However, with the subsequent opening of economies, coupled with vaccinations, oil demand started recovering. In August 2021, the OPEC+ members, in view of the tightness in the oil market at that point, started injecting in more oil into the recovering global economy through monthly production increases of 400,000 b/d. However, this increase has struggled with poor compliances and the group resisted calls for increasing production coming in from western countries in the context of the Ukraine crisis.

In 2021, the global oil demand recovered to 97.5 mbpd from 91.9 mbpd in 2020, but still fell short of the pre-pandemic levels of 100 mbpd. Similarly, supply at 95.3 mbpd had increased from 93.8 mbpd in 2020, but it was still below the demand number. This was further compounded by the Russia-Ukraine conflict. Russia is the third largest producer and the second largest exporter of oil in the world and the European Union (EU) is highly dependent on Russian oil as it sources 45% of its crude oil and product imports from Russia. The US and European allies have imposed various sanctions on Russia, but as of now these sanctions do not restrict the purchase of oil by Asian countries like China and India.

Australia, Britain, Canada and the United States have imposed outright bans on Russian oil purchases, while the Group of Seven (G7) nations, including Japan, have committed to ban or phase out imports of Russian oil. The European Union on May 30, 2021 agreed to ban seaborne imports of Russian oil with a phase-in period of six months for crude oil and eight months for refined products. The ban excludes oil supplied via pipeline, thus allowing refineries in eastern Europe and Germany to continue imports. Poland and Germany, however, said they would phase out all purchases via the pipeline by the end of 2022. That would in total cover about 90% of Russian oil imports to the EU. The Russia-Ukraine conflict has, therefore, become a major factor affecting international oil prices and is also affecting the supply and trade movements of crude oil.

Tightness in Global Oil Market

Global Oil Supply & Demand



Source: International Energy Agency

The markets for refined products have been witnessing tightness in the face of growing demand for road, air and sea transportation as economies opened up on the one hand, and low inventories and refinery capacity bottlenecks magnified the issue on the other. As Russia is one of the biggest refiners in the world and a major exporter of Diesel, the Russia-Ukraine war jolted the products market. Product cracks improved significantly in 2021-22 from their depressed levels of 2020-21. Jet-Kero (ATF) after being in the negative zone in 2020-21 recovered to more than US$ 7/bbl in 2021-22 and the turnaround in petrol and diesel cracks were impressive too. However, LPG cracks continued to be in the negative zone. During the year, diesel and petrol cracks continue to be high and above historical levels.

Global natural gas demand rose in 2021 on account of increased economic activity, adverse weather events, which increased the demand for natural gas for heating, and reduced renewables output in some geographies, which further increased the need for natural gas as a substitute in electricity generation. While natural gas production also increased in 2021, it fell short of demand and since the first quarter of 2021, inventories of natural gas in Europe continued to be below their five-year average. Europe's high dependence on natural gas imports from Russia has become a major factor affecting the gas markets. Moves and decisions by Russia, such as cutting off gas supplies to nations like Poland, Bulgaria, Finland, Denmark, and Netherlands, besides the European Union's efforts to reduce dependence on Russian gas, are affecting gas prices and established gas trade patterns.

Even though coal came under direct fire at COP26, coal consumption increased in 2021 and production fell short of demand, resulting in shortages and soaring coal prices reaching record levels. In view of the domestic energy security concerns, coal production targets were increased in some geographies, including India and with the Russia-Ukraine war, the EU is preparing itself to burn more coal this decade as it tries to reduce its dependence on Russian gas. The past year was also significant in terms of marking the comeback of nuclear energy. After a decade of being in oblivion, nuclear energy is gathering interest as both innovative and currently available technologies nuclear can support NetZero transition.

Prices of crucial energy transition metals such as aluminium, copper, nickel, lithium and cobalt rose to unprecedented levels in 2021 and continued to rise in 2022. Rising demand, disrupted supply chains and concerns around tightening supply due to the current geopolitical condition accounted for the price rise. While the prices of copper, nickel and aluminium increased by around 25% to 40%, prices of lithium and cobalt more than doubled in 2021, marking these materials as crucial components of the future world order.

With India's high dependence on energy imports, especially of oil and gas, these developments in the international markets continued to affect the Indian energy sector and resultantly, IndianOil's business. Besides these, on the policy front, major headways were made in the context of the global net zero transition.

Long Term Energy Outlook

The ever-increasing pace of technological innovations leading to energy and material efficiency gains are expected to decrease the pace of global energy demand growth over the long term. With the ongoing energy transition and net zero commitments, the share of renewables in the energy mix is projected to rise over the long term, propelled by policy focus and falling costs. Role of fossil fuels is accordingly expected to come down, with shift away from coal being the most prominent. Global oil demand is projected by many agencies to peak by 2030, while some expect peaking by 2040 and some see no peaking even upto 2050. Rising vehicular efficiency, increasing adoption of electric vehicles and shift towards low carbon alternatives such as biofuels and Hydrogen are expected to affect growth prospects of oil demand going forward. While oil demand in the long term (2050) is expected to be lower than current levels, it is still expected to remain at a sizeable level as it helps meet energy access requirements of developing economies and serves energy requirements of hard to decarbonize sectors such as road freight, shipping, aviation, and industrial heat applications. Natural gas is expected to see growth in next decade and a half-driven by strong policy push in countries like China and India. A slowdown in growth of natural gas demand at the global level could be seen beyond that in the context of Net Zero commitments, increasing ESG pressure and increased use of Green Hydrogen. Overall, global energy mix is expected to be more diverse with roles etched out for Hydrogen, bioenergy, and electric mobility.

India is set to drive long term growth in global energy demand underpinned by strong economic growth outlook, urbanization, and young population. India's energy demand is projected to grow at rates way above the global average. In India too, share of renewables is set to rise, as is the share of modern bioenergy, in line with global trends and on account of policy support as the Government works towards its Net Zero 2070 target. As regards oil, demand is set to grow in the next 10-15 years in India, driven by rising per capita income demand for personal vehicles, air travel and energy access. Oil demand could plateau thereafter on account of rising EV adoption, CNG & Biofuel penetration and rising vehicular efficiency. In India, Natural Gas demand is expected to grow robustly as policy impetus and rising domestic production coupled with LNG imports help the market expand from its current low levels.

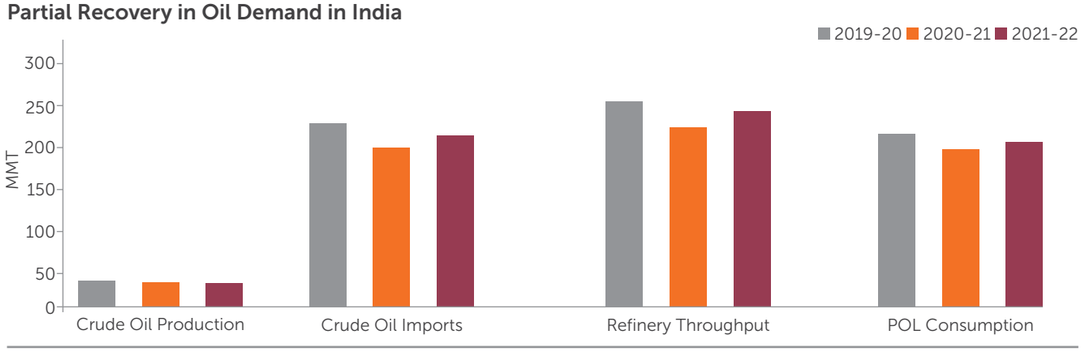
Indian Energy Sector

Significantly, at COP26 in November 2021, India announced its target of achieving Net Zero emissions by 2070. Prior to this, earlier in the year, India had targeted the goal of being energy Independent by 2047. In relation to this, significantly, during the year, the Government of India launched its National Hydrogen Mission, advanced its ethanol blending target and launched mega production-linked incentive schemes for Solar PV, Advanced Batteries and the automotive sectors. This was followed by the announcement of Green Hydrogen/ Green Ammonia Policy that aim to boost production of 'Green Hydrogen' to 5 million tonnes by 2030 and make India an export hub for the clean fuel. Additionally, in pursuit of the NetZero goal, the Government of India is aiming at transforming the transportation sector, which is a major source of emission. The Government of India's Gati Shakti framework that envisages a mega push to multimodal logistics parks and intermodal connectivity, can bring in major efficiency gains in India's logistics sector, besides making it less carbon intensive.

As economic activity picked up, so did energy demand. Electricity demand after falling 1.2% in 2020-21, rose by 8.2% in 2021-22. India added over 15 GW of Renewable Energy capacity in 2021-22 (of which 13.9 GW was solar) taking the total to 109.9 GW (excluding large hydro) at the end of the year. Including large hydro, India's Renewable Energy capacity stood at 160 GW at the end of 2021-22.

During 2021-22, petroleum products (POL) consumption rose by 5.1% y-o-y. However, POL consumption in 2021-22 was lower than the pre-pandemic levels, falling short by 4.6% or 10 MMT compared to 2019-20 levels. In view of the stagnant domestic crude oil production, crude oil imports rose by 8% y-o-y to meet the growing demand but were lower than the 2019-20 volumes. The surge in international oil prices during the year meant that India's crude oil import bill almost doubled to US$120 billion from US$62 billion in 2020-21 and was significantly higher than the oil import bill of US$ 101 billion of 2019-20. Refinery capacity utilisation rates improved from the lows of 2020-21, with refinery throughput growing by 9% in 2021-22.

Partial Recovery in Oil Demand in India

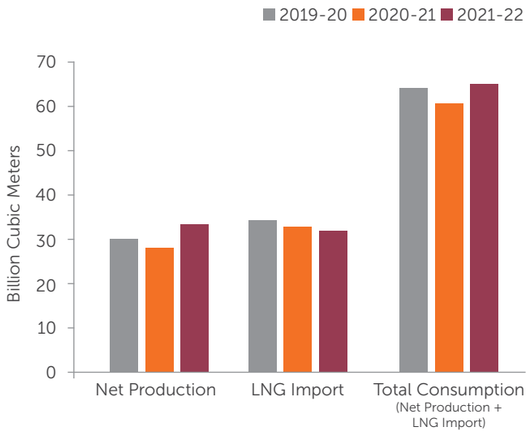


Source: Petroleum Planning & Analysis Cell (PPAC), Ministry of Petroleum & Natural Gas

Looking closely at categories of refined products, the recovery in demand was seen across most fuel types, barring SKO. Petrol consumption increased by 10.3% y-o-y and diesel increased by 5.5% y-o-y. ATF consumption staged a strong comeback with over 35% y-o-y growth. However, overall consumption is yet to reach the pre-pandemic levels, mainly on account of diesel and ATF, which were 7.1% and 37% below their pre-pandemic levels, respectively. On the other hand, recovery in petrol was encouraging, with consumption rising by 3% above the 2019-20 levels as passenger road mobility surpassed pre-pandemic levels. LPG, which grew even during the lockdown, continued with its consistent growth in 2021-22 as well.

During 2021-22, natural gas consumption in India increased by 6.9% after having declined by 5.2% in 2020-21. Domestic gas production rose by 19.2% during the year as new projects came on stream, leading to a reduction in LNG imports, which went down by 3.4%. High spot LNG prices were another deterrent for LNG imports. The LNG West India Marker in March 2022 was over US$ 30/MMBtu, which was more than five times of March 2021 levels.

Recovery of Natural Gas Consumption in India



Source: Petroleum Planning & Analysis Cell (PPAC), Ministry of Petroleum & Natural Gas

The current geo-political conditions continue to be a source of worry and Net Zero transition will entail its own challenges as the beginning of the interest rate hike cycle globally could add to the capital costs. However, developments like the ongoing recovery in the Indian economy, the Government's push towards infrastructure and core sectors, among others, augur well for the company's business.

IndianOil– Standing Tall

Over the years, IndianOil has successfully combined its business offerings with its corporate social responsibility agenda, meeting the energy needs of millions of people every day, across every corner of the country. IndianOil has proven its stronghold over India's oil refining and marketing business time and again. Most recently, during the pandemic-induced lockdowns, the Company not only maintained its supply lines and served its customers amidst a raging pandemic, but also spearheaded initiatives like the Pradhan Mantri Ujjwala Yojana 2.0 (PMUY 2.0). On the other hand, keeping an eye on future business opportunities, the Company has been assiduously building its new businesses such as petrochemicals, natural gas marketing, alternate energy, cryogenics and explosives.

The Company's leading presence in India's downstream supply and distribution infrastructure is a key advantage in the context of India's longterm energy growth prospects. The Company has been backward integrating and increasing its upstream integration ratio. The synergy between its downstream and upstream businesses is making the petroleum supply chain more resilient and cost-effective. IndianOil's petrochemicals business has over the years emerged as a significant contributor to its bottom-line and is a major source of its competitive advantage over other oil marketing companies (OMCs) in the country.

IndianOil has been working to transform itself from being a national oil major to a holistic energy solutions provider, with a growing portfolio of futuristic Green Energy solutions such as, on-grid and off-grid renewable energy assets, natural gas, biofuels and hydrogen, while developing technologies for hydrogen storage, fuel cells, electric batteries, advanced bio-fuels and Carbon Capture, Utilisation & Storage (CCUS).

Another source of constant strength and competitive advantage for the Company has been its research & development (R&D) set-up, which works hand-in-hand with its business verticals to create research-backed products and technologies.

Building on Competitive Strength through...

Cutting Edge Technology

- Rich IP Portfolio over 1500 patents as of March 31, 2022
- Commercialised Refining Technologies:Indmax, IndeDiesel etc.
- i-Drive Initiatives
- Green Hydrogen Plants @ Mathura & Panipat Refinery
- CCUS Projects
- Aluminum Air Batteries
- Hydrogen Transport through Pipelines

Impeccable Service Delivery

- Indane Tatkal Seva
- Fully Automated Retail Outlets
- Fuel@Doorstep
- LNG at Doorstep
- New connection Registration facility through Missed call

Innovative Products

IndiGreen
XP100
Indane XTRATEJ
XTRAGREEN New-age high performance diesel
SERVO GREENMILE
SERVO DEFROST

To fortify its research capabilities in new niche technologies and to become a least cost supplier of Green Energy / advanced bio-fuels, a new R&D centre with world class infrastructure for research in renewable technologies is being developed. In addition, the Company is working towards leveraging digitalisation technologies like Big Data, the Internet of Things, Analytics, Artificial Intelligence (AI), AR/VR etc., to make its operations more efficient and agile.

The Company's HR strategies are also getting aligned to the imperatives of the ongoing Energy Transition. IndianOil's Joint Ventures with niche players in new energy areas are helping its workforce develop skills for the emerging non-core energy areas. IndianOil is collaborating with nationally and internationally renowned global institutes for building specialized skill sets and for nurturing managers with a new age perspective.

As the Company forges ahead aligning its growth path with the imperatives of energy transition, it will bank on its traditional core competencies while also building strengths in the emerging new areas and technologies.

IndianOil – Towards a Greener Horizon

As a responsible corporate, and in line with its spirit of "Pehle Indian Phir Oil", the Company has always stood up in service of the nation. When the country faced unprecedented Covid-19 challenges, true to this spirit, IndianOil rose to the occasion to align itself with the national priorities and helped India face the Covid-19 situation with fortitude and a spirit of self-reliance. As the leading energy supplier, the Company and its employees, delivery agents, drivers and various other stakeholders ensured that even during the worst of the pandemic, kitchen fires kept burning and fuel and energy solutions were available throughout the country.

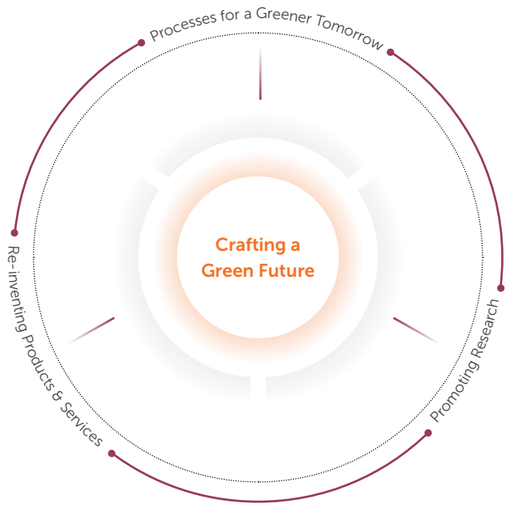
With the Covid-19 situation having eased and with the economy opening up, the country needed energy to meet the rising energy demand and to bring the economy back on track. The Company rose to the occasion to meet the energy challenges and to uncover the opportunities therein. While

The Company is working towards leveraging digitalisation technologies like **Big Data, the Internet of Things, Analytics, Artificial Intelligence (AI), AR/VR** etc., to make its operations more efficient and agile.

2020-21 was a year for standing with the nation in its fight with Covid-19, the year 2021-22 was one of planning the way forward for a 'Greener Future.'

The Company is fast transforming itself from being India's national oil company to a holistic energy solutions provider, in line with its vision to be 'the Energy of India'. In alignment with the nation's COP26 commitment, the Company is making significant strides in 'crafting a green future' by expanding its business portfolio for 'sustainable and affordable energy solutions for tomorrow'.

The Company is aligning itself and is moving towards the Net Zero future by re-inventing its products and services, re-engineering its processes for a greener tomorrow and promoting research in the field of cleaner technologies.



Re-Inventing Products & Services

The Company is working towards making its products greener, promoting environment friendly fuels like LPG and investing in low carbon/ carbon neutral energy sources like natural gas, bio-fuels, electric mobility, and renewable energy.

New Offerings

The Company has always had a customer-centric view and has been developing new products and services keeping in mind enhanced customer satisfaction. In its pursuit of becoming '**The Energy of India**', it had previously launched several innovative energy solutions for catering to specific customer needs, such as XP100, (100 octane premium petrol), developed for customers who own high performance cars; XP-95,(a high-octane fuel) for vehicles designed to meet stringent BS-VI emission and efficiency norms through the latest engine technologies; XTRATEJ LPG, (which provides savings in LPG up to 7.5% consumption and saving in cooking time) and Chhotu, (a 5-kg free trade LPG cylinder), catering to the needs of a specific customer segment, who find it difficult to provide permanent address proofs, with low consumption levels and space constraints.

With the aim of 'Crafting a Green Future', the Company has now gone a step ahead and has been trying to make its conventional product offerings eco-friendly so as to reduce their carbon footprints. Continuing with the roll-out of innovative and environment friendly products, this year too, it added several new product offerings to its product basket like:

- **XTRAGREEN Diesel**– The environment-friendly fuel mitigates air pollution and improves fuel economy by about 5-7%. It is among the cleanest diesel fuels globally available and at present, XtraGreen diesel is available at 700 retail outlets across the country.
- **Green Combo Lubricants** – The Company launched two environmentally-safe lubricants -SERVO Greenmile and SERVO Raftar, which help in reducing emission levels thereby promoting IndianOil's vision of a sustainable future.
- **Methanol-blended Petrol (M-15)** - In its effort to reduce the consumption of fossil fuels and in its pursuit of a green future, IndianOil has launched methanol-blended petrol M-15 (15% methanol-blending). A pilot project has been launched at IndianOil's Digboi Terminal recently and is likely to be commercialised soon. The roll-out of the fuel will strengthen India's 'Energy Aatmanirbharta' on the one hand while also reducing the environmental pollution, on the other.
- **E-100 Fuel** – Pure ethanol as a standalone fuel (E-100) was launched during the year at a Retail Outlet in Pune City. This demonstrates the Company's commitment towards continuance of the ethanol-blending programme as well as a step towards import reduction and reduction of GHG emissions, apart from other benefits such as increasing farmers' income and generation of rural employment. With the flex fuel engines being developed, E-100 can be a game-changer for reducing crude imports and ensuring India's energy security.

LPG – Bridge to a Cleaner Future

Despite its fossil fuel origins, LPG stands out as a fuel that is a crucial bridge to the sustainable future, keeping in mind its alignment with the climate goals. LPG's clean combustion profile makes it a preferred choice for tackling indoor air pollution, caused by burning of biomass and kerosene. Moreover, an increasing body of evidence is showing LPG's role as a GHG emission mitigation fuel. Black carbon, a short-lived climate pollutant is primarily associated with the burning of biomass, and according to the Intergovernmental Panel on Climate Change (IPCC), reductions in emissions of black carbon by 35% or more by 2050, relative to 2010, will be required to help limit the rise in global temperature to 1.5° from pre-industrial times.

LPG's clean combustion profile means that it emits virtually no black carbon on combustion, comparable to the other clean fuels such as natural gas, biogas and ethanol. Additionally, while LPG does emit carbon-dioxide upon combustion, studies show that LPG emits 60% fewer GHGs than electric coil cooktops, 50% fewer emissions than some biomass stoves, and 19% fewer GHGs than kerosene stoves. LPG, used as an alternative to firewood, protects forests from being depleted for charcoal and firewood and hence contributes to preserving the environment and capturing CO_2 emissions.

LPG continues to be a focus area for the Company, with sizeable ongoing investments for LPG pipeline transportation and LPG import infrastructure. In addition, to make LPG more accessible, the Company launched 'Munna', a 2 Kg Free Trade LPG (FTL) cylinder variant, at the backdrop of success of 'Chhotu' 5 kg FTL. 'Chhotu' and 'Munna' offer easy LPG access to sections of the society that are not covered by the LPG distributor network such as migrant labourers, students who do not have an address proof and also people with lower LPG consumption, commercial establishments with less space such as food hawkers and daily wagers who are unable to make upfront payments.

On Track with India's Vision of Becoming a Gas-based Economy

The Company is expanding its natural gas business and promoting gas usage in India inline with the Government of India's plans to increase the share of natural gas in India's primary energy from about 7% to 15% by 2030. IndianOil is accordingly enhancing its gas infrastructure by putting up new LNG terminals, cross-country pipelines and City Gas Distribution (CGD) networks.

The Company is the lead implementation agency of **Sustainable Alternative Towards Affordable Transportation (SATAT)**, which targets production of **15 MMT of CBG by 2023,** from **5,000 plants** across the country.

The Company has plans to set up CNG facilities at around 2500 outlets within the next 10 years and is also setting up 20 LNG stations out of the 50 targeted by the Government of India. In the R-LNG space, the Company targets raising its share in the RLNG market from 19% at present to 40% by the end of this decade. In pursuit of this, it has booked capacities in the upcoming LNG terminals viz. Dhamra (3 MMTPA) and Jafrabad (1 MMTPA) and also intends doubling the capacity of its Ennore Terminal (from 5 MMTPA to 10 MMTPA). The Company is investing heavily in building the national gas pipeline grid, presently standalone projects with length of around 1800 km are under implementation in addition to JV pipelines such as North East Gas Grid and three other cross-country pipelines.

The Company has been aggressively expanding its CGD network both through its JV companies and on a standalone basis. Since the 9th PNGRB Bidding Round for CGD, the Company has significantly scaled up the geographical areas (GAs) under its fold with focus on standalone bidding. At present, the Company is developing CGD networks in 26 GAs on a standalone basis, which exhibits IndianOil's confidence in this growth sector as well as its growing technological expertise in the natural gas sector.

Bio-fuels – The Need of the Hour

The Company is the lead implementation agency of Sustainable Alternative Towards Affordable Transportation (SATAT), which targets production of 15 MMT of CBG by 2023, from 5000 plants across the country. The Company has plans in place to meet the Government of India's mandate for increasing ethanol blending in petrol from around 10% at present to 20% by 2025. The Company is setting up a 100 kl/day 2G ethanol production plant at Panipat (Haryana), utilising paddy straw as feedstock based on technology of Praj Industries Ltd. This can be instrumental in solving the crop stubble burning issue in Punjab and Haryana. The Company is also setting up a third generation (3G) ethanol plant of 128 KL/day based on the gas fermentation technology of LanzaTech (LT), USA at Panipat, which would be the world's first refinery off-gas-to-ethanol production facility. With the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) entering its mandatory phase from 2027, biomass and waste-based Sustainable Aviation Fuel (SAF) adoption is gathering interest globally. In view of this, the Company is working on creating its capabilities in SAF production through collaboration with technology providers.

EVs and Battery-Swapping

EV adoption is gathering pace in India with the policy focus at both the Centre and the State levels, besides with the entry of global and domestic auto players, sales are picking up, especially in the two-wheeler segment. The Company has plans to provide electric mobility solutions through its vast network of retail outlets. The Company currently has over 2,000 charging stations and plans to scale this up to 10,000 within three years to capture the opportunities in the EV space. The Company is also exploring the much talked about **Battery or Energy as a Service** business model, with it already having established a few of battery-swapping stations.

In the domain of battery technology, the Company has a joint venture- 'IOC Phinergy Private Limited' (IOP) – which is working on Aluminium-Air Batteries, an upcoming battery technology with the potential to revolutionise the space, especially in Indian conditions, with plans to commercialise the technology in India.

Exploring Opportunities in Renewable Power

IndianOil is looking forward to significantly expand its footprint in the renewable power space from the present level of about 240 MW capacity. Plans are also underway to collaborate for developing large scale renewable energy capacities to cater to market demand and green hydrogen requirements.

Processes for a Greener Tomorrow

The refinery sector is an emissions-intensive sector, accounting for 3% of global carbon emissions. The Company, as a refining major, is working on making its processes more efficient and greening the fuel intake to reduce process emissions. Some of its ongoing and upcoming initiatives are:

Using Clean Energy Sources

Natural gas integration projects at the refineries are already in various stages of implementation. Three of the northern refineries are connected to the gas pipeline grid. Further, with expected commencement of LNG import facilities on the eastern coast (Dhamra), along with gas pipeline connectivity, the eastern refineries (Barauni, Haldia &Paradip) are also likely to get connected shortly. This is to be followed by connectivity through the North-east Gas Grid to the north-eastern refineries.

The Company's renewable energy plants currently produce electricity equivalent to 5% of its electricity consumption.

It plans to increase the use of green power in its refineries, for which the plans are already underway to establish nearly 5 GW scale RE capacities by 2025 in collaboration mode to cater to the incremental energy demand of refinery expansion projects.

Greening Refineries' Hydrogen Production

At present, the refineries are the major consumption centres for hydrogen, used for desulfurisation. The current dominant hydrogen production process is highly carbon-intensive being based on the Steam Methane Reforming process. On the other hand, Green Hydrogen i.e. hydrogen produced from electrolysis of water, using renewable energy, has a zero-carbon profile, making it the preferred form of hydrogen in the context of a carbon neutral future. The Company is venturing into Green Hydrogen production and is targeting 5% of hydrogen produced by it as Green Hydrogen by 2027-28 and 10% by 2029-30. It is gearing up for 5KTA and 2KTA Green Hydrogen plants at the Panipat and Mathura Refineries, respectively.

Further, recently, the Company has joined hands with Larsen & Toubro (L&T) and ReNew Power ('ReNew') for the formation of a joint venture company to develop the Green Hydrogen sector in India. L&T and IndianOil plan to manufacture electrolysers used in the production of Green Hydrogen.

In addition to this, the Company has started working towards integrating hydrogen production facilities with carbon capture and utilisation technology to produce Blue Hydrogen. It is setting up a carbon capture plant at its Gujarat Refinery for enhanced oil recovery (EOR) of crude at the Oil & Natural Gas Corporation Ltd. (ONGC) oilfields in Gujarat, leading to permanent sequestration of CO_2. Similarly, IndianOil and Oil India Ltd. (OIL) are also exploring the possibility of EOR application in the oil fields of OIL in the Assam region with CO_2 captured from IndianOil's Digboi Refinery. In addition, IndianOil is also setting up food and beverage grade CO_2 production facilities at its Panipat and Paradip refineries from atmospheric vent stream of MEG plants.

Adopting Digital Initiatives

Digitalising operations can boost refinery yields and throughputs. In transportation, digitisation can streamline the movement of crude and products to and from refineries by determining the timing and optimising the mode of transport (from pipeline to truck, rail, or ship). Refineries of the future will be a digitally connected facility with much improved process optimisation and operational reliability, minimising energy consumption and emissions, eliminating waste products and better water management. On the digitisation front, the project i-Drive at IndianOil is gaining momentum, with significant progress in the implementation of Integrated Production Planning Tool, a state-of-the-art technology for adapting quickly to changing market demand patterns.

The Refinery Production Scheduler is under installation, which will facilitate software-based refining scheduling in place of the existing excel-based scheduling and many other initiatives like online real time monitoring of critical equipment by OEM specialists. Various other digital initiatives are being taken across the organisation to optimise the processes, reduce costs and bring synergy between the divisions of IndianOil.

Optimising Resource Utilisation

The Company is pursuing opportunities in improving the efficiency of its core businesses by enhancing the ability of its refineries to process a wider array of opportunity crudes, reducing fresh-water intake into refineries, sharing of intermediate streams between refineries and reverse pumping flexibility among others.

> The Company renewable energy plants currently produce electricity equivalent to 5% of its electricity consumption.

Making Energy Networks Future Ready

Over the years, there has been a conscious effort to focus more on low-carbon transportation modes, such as coastal shipping and pipelines. In addition to this, as energy systems work towards greening, it is pertinent to make energy networks ready for this. The Company has introduced ethanol transportation in its product pipelines, CBG in the gas pipeline network and is working to introduce hydrogen into its gas pipeline network.

Optimising Processes for a Greener Tomorrow



Promoting Research to meet Green Aspirations

Innovation has a vital role in the road to decarbonisation. For instance, IEA's landmark Net Zero Report that came out last year pointed out that in its Net Zero Trajectory, the required emissions reduction during the period 2030-2050 would depend on technologies which are not commercialised as yet. CCUS and hydrogen are two focus areas of the Company, which are critical to Net Zero and closely connected to the hydrocarbon sector.

Building a Hydrogen Economy

During 2021 Independence Day speech, the Hon'ble Prime Minister of India announced the launch of the **National Hydrogen Mission**. The plan is to make India a global hub of Green Hydrogen production and import, which will make India an energy independent nation and transform it from an energy importer to an energy exporter.

The Company has recently launched a project of ₹ 200 crore to assess multiple hydrogen production pathways, based on indigenously available resources focusing on technologies like solar electrolysis, biomass gasification and bio-methanation with a total Green Hydrogen production capacity of around 1 tonne per day. The technology will be demonstrated in 15 fuel cell buses for establishing the efficacy, efficiency and sustainability of the production processes and the fuel cell technology.

R&D in Alternate Energy & CCUS

The Company is undertaking research in CCUS through chemical, bio-chemical and electro bio-catalytic routes. It has developed a patented enzyme and solvent combination for enhancing CO_2 capture. This synergetic combination of solvent and enzyme/bio-mimetic complex can capture CO_2 at a faster rate than that of other conventional amine-based methods. The captured CO_2 can be further utilised for an enhanced oil recovery process, conversion to chemicals and fuel molecules etc. The Digboi refinery has been identified for technology implementation, where the captured CO_2 will be used for EOR application in oil fields of Oil India Limited (OIL).

The Company has been researching in the areas of alternate energy, such as 2G & 3G bio-fuels, waste-to-energy, electric batteries and solar, among others. The new upcoming R&D campus will have a Centre for Alternative & Renewable Energy

(i-CARE) as one of the four centres of excellence. The research infrastructure of i-CARE would include laboratories in the areas of fuel cell, hydrogen, gasification and solar energy research, sophisticated research facilities in nanotechnology, batteries, biotechnology, materials and other related areas.

Supporting Start-ups

Globally, the start-up ecosystem has become a powerhouse of innovation. In the energy sector, start-ups are playing a crucial role in advancing climate and consumer friendly technologies and business models. IndianOil's start-up scheme has on-boarded 24 projects which already have 42 joint patents to their credit. In the recently-concluded 3rd round of the revolving start-up fund of IndianOil, the Company has received interesting proposals, such as high power density fuel cell stacks for drones; reduction of CO_2 emissions from stack by micro-algae based industrial CO_2 capture and recycling; early detection of leakage and pilferage from the pipeline; use of robotics for internal tank cleaning and inspection; intensified reactors for efficient, safer, smaller and cost-effective chemical processes, development of Nano-porous silicon-based anode for Li-Ion battery; minimising the use of fossil fuel by introduction of hydrogen in running of generators, among others.

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Opportunities and Challenges

The Core

Despite India's long-term Net Zero commitment, the role of petroleum products continues to be significant in India's growth and development story. Through the path-breaking Ujjwala Scheme, LPG has been deployed as the key agent for meeting a major developmental goal of access to clean cooking energy in India. Moreover, as India urbanises, its per capita income rises, standards of living of common man improves, and its villages thrive, the demand for road transportation fuels - petrol and diesel - is also set to grow, albeit at slower rates, as vehicular efficiency improves, and alternatives get a foothold. Notwithstanding this, there is consensus that demand for oil in the Indian economy will be on the rise in this decade and beyond and grow at rates way above the global average. In fact, over the long term India is seen as the key driver of global oil demand.

Refining

The projected growth in petroleum products demand forms the basis for the need to go for refinery infrastructure expansions in India. IndianOil has planned for expansion of its existing crude refining capacity to 87.5 MMT in the next 10 years, for increasing production of petroleum products, in line with the demand. The mega projects of capacity expansion, which are likely to come in the next couple of years, include the expansion of the Panipat refinery from 15 to 25MMTPA, expansion of the Barauni refinery from 6 to 9 MMTPA, the expansion of the Gujarat refinery from 13.7 to 18MMTPA and that of the Guwahati refinery from 1 to 1.2 MMTPA.

With the development of road infrastructure in the country getting a major boost through the PM Gatishakti – National Master Plan for Multi-modal Connectivity, the demand for bitumen is expected to receive a major fillip. The current production rate of bitumen would result in a deficit in the face of the growing demand, leading to increase in imports. This presents a unique growth opportunity to the Company, as its refineries have the capability to convert a part of its HSD production capacity to bitumen. This could be a win-win strategy, which on the one hand would help it capture the growing bitumen demand, while also addressing the slowing growth in HSD demand.

India's aviation market has a high growth potential, given the current low penetration of air travel in the country. India ranks relatively low (133rd) in terms of airport density (the number of airports per million of population) and 108th for the number of departures per 1000 population. Considering the rising standard of living in the country and supportive Government policies, ATF demand is projected to grow at a good pace. The Company's refineries have swing capabilities and are fully equipped to reduce HSD production by 10% from the normal level and maximise ATF production.

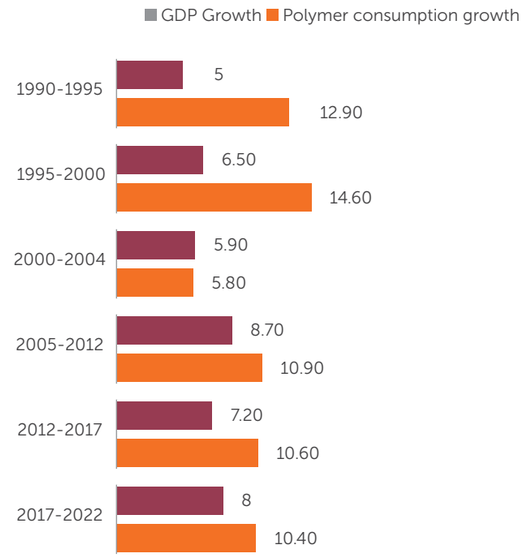
Additionally, the naphtha cracker capacity revamp is on the cards which can absorb surplus naphtha.

Bio-fuel integration in refineries is a trend that is picking up globally. Bio-fuels, which have low carbon footprint, are an indigenous resource and their production can be dovetailed with refineries and can be integrated with refinery production. Policy support for bio-fuels in India, provides a special opportunity for IndianOil to make its refineries centres for generation of advanced 2G/3G bio-fuels. At present, the Company's refineries are acting not only as centres of production of Advanced Bio-fuels but also, as hubs for ethanol-blending in MS and transportation to distribution centres through pipelines and railway wagons. This not only reduces the operational cost of ethanol blending, but also helps its refineries meet the Quality Control norms for octane number with greater ease. In future, this strategy will provide advantages to the Company for positioning ethanol-blended MS at its retail outlets at a lower cost, as the blending increases from present 10% to 20% by 2025.

Petrochemicals

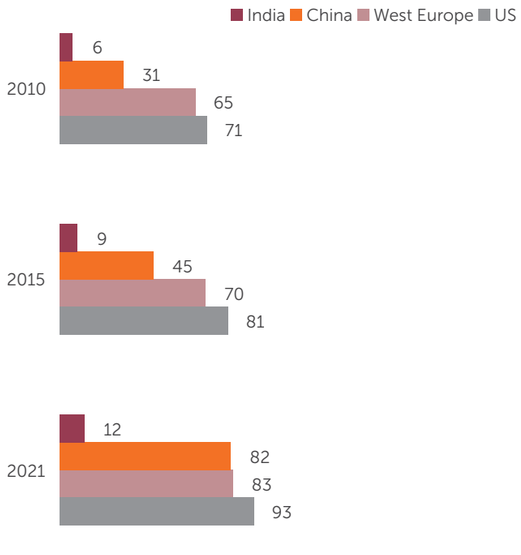
The Petrochemical business is synergetic with the core refining business and has been a major bottom-line driver. The role of downward integration into petrochemicals assumes even more importance in the context of the ongoing energy transition. While a slowdown in road transportation fuel demand growth over the long-term is expected, the demand for petrochemicals is set to grow at robust rate over the long-term. Petrochemical integration, therefore, can enable capturing of both volume and value growth and also allow better refinery utilisation when the fuel demand reduces.

India's Polymer demand growth vs GDP growth (%)



GDP growth is an indication of polymer demand growth

Per capita Polymer consumption (kg)



Factors to increase per capita consumption

Urbanization	Quality of life	Govt. Policies
Rising disposable income	Population demographic	New technology and business innovation

The Company's future refinery expansion plans are inextricably linked with petrochemicals expansion and integration. IndianOil has a petrochemicals capacity of nearly 3200 KTA, which translates to a Petrochemical Intensity Index of about 5%. As a long-term strategy IndianOil is targeting a 15% Petrochemicals Intensity Index. Currently, IndianOil is in the process of implementing petrochemical projects worth ₹ 35,000 crore for enhancing its production capacity by 3200 KTA, which would take its Petrochemicals Intensity Index to about 7.1%, by 2025.

Plastic Waste Management

In the recent UN Environment Assembly in Nairobi, it was proposed to create the first-ever global plastic pollution treaty. This is being seen as the most important multilateral climate deal in the making since the landmark 2015 Paris Accord. The Government of India has also put in place a ban on single use plastics from July 1, 2022 and laid down stringent Extended Producer Responsibility targets for the producers, importers and brand owners. These developments pose inherent challenges to IndianOil's petrochemical business, while also throwing up several opportunities.

The Company is thus developing a resilient petrochemical supply chain and has already sensitised the plastic processors on the Plastic Waste Management (PWM) Rules 2016, while also indicating that IndianOil's petrochemical products shall not be directly or indirectly used in production of banned single-use plastic items. Further, through its 'Plastics Neutrality' initiative, the Company plans to enhance the recyclates quality in participative mode with the MSME sector, to target recycling/up-cycling of 5 MMTPA of plastic waste.

The Company envisions the **plastics-neutrality initiative** as a common objective programme of the stakeholders viz. waste-aggregation/segregation, recycling/up-cycling, by acting as **the pivot of the eco-system**, and by providing **the market access of recyclates to plastics processors/brand-owners** through its extensive supply chain.

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Pipelines

Pipeline projects worth around ₹ 30,000 crore are under various stages of implementation. In addition to this, the Company is participating in implementation of projects costing over ₹ 40,000 crore through JV mode in the segments of CGD, natural gas pipelines and LPG pipelines, along with the development of gas grid through Indradhanush Gas Grid Limited (IGGL), a joint venture company for implementation of the prestigious North-East Gas Grid (NEGG) project.

Investments in natural gas pipelines stand out as a priority as the country pursues its target of doubling the share of natural gas in the energy mix. However, as the country inches close to its Net Zero goals, an expected challenge of transition from gas-based economy to a hydrogen-based economy is likely towards the middle of the century. The Company's R&D Centre has taken up this challenge and has developed a transient solution that leads to a hydrogen economy. Blending of natural gas with hydrogen is an option that offers the benefit of reduced carbon emissions while using the existing natural gas pipeline infrastructure. The Company's hydrogen-spiked (18%) CNG (H-CNG) demonstration project trial came out with quite promising results. The Company is also exploring the possibility of hydrogen transportation through its pipelines so as to be future ready for a smooth transition from gas to hydrogen in the Net Zero world.

Marketing

The Company has the largest network of Retail Outlets (ROs) in the country to meet the energy needs. Earlier, the primary focus of the OMCs in India, including IndianOil, was on the sale of conventional and branded fuels through these ROs. But, now as India moves towards a greener future, bio-fuels and EVs shall be playing a vital role in the energy transition process. The Company has aligned itself with the Net Zero aspirations of the country, and is ensuring the addition of one 'alternate fuel', apart from the traditional fuels being sold for all the new ROs being commissioned. The company is also adding EV charging stations as well as battery-swapping stations, to convert the ROs as Energy Centres and provide holistic energy solutions for a greener future.

The customer needs are continuously evolving. To cater to these ever-evolving customer needs and to provide them with elevated customer experience beyond re-fuelling and convenience, the Company today is not only offering differentiated products to the customers but also digitising its RO operations for flawless service delivery. For ensuring safe RO operations, even in the remotest parts of the country, e-RO inspections are being carried out and actions taken are being digitally recorded.

To boost the penetration of cashless payment methods at ROs, the Company has tied up with e-wallet and UPI service providers. With the help of data analytics, spending and usage patterns of the customers are being used to develop customised services/offerings. To further enhance its capabilities in the field of analytics and improving customer acquisition and customer satisfaction, a state-of-the-art Control and Command Centre is being setup at Mumbai, which will be run by a dedicated team of analysts and IndianOil officers.

In its quest for embracing new technologies in the fuel retailing business, IndianOil is in the process of installing Robotic Dispensing Units (DUs) in Hi-Tech City, Hyderabad. These specially-designed machines will help reduce manpower costs, eliminate chances of close contact with fuel and unhealthy vapour and will make the fuelling experience more convenient and faster for the customer.

The Company is also solarising its ROs to reduce their energy demand, reduce carbon footprints and improve dealer profitability as well as focusing on generation of non-fuel revenue through strategic tie-ups with business partners under both 'Store' and 'Non-Store' categories, so as to remain profitable even when the growth in sale of traditional fuels slows down during the energy transition.

The Company is the market leader in ATF, with a market share of 62.5% during 2021-22. To maintain its pole position, the Company is expanding its operations in new locations in view of the Government of India's plans of starting flights in new airports under the UDAAN scheme and added nine Aviation Fuelling Stations during 2021-22. It is now fuelling ATF at 126 locations across India (as of March 31, 2022). In line with the Net Zero commitment of the Government of India and in compliance of the global Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) mandate, the company has signed a MoU with Praj Industries to mutually explore cleaner and greener sources of energy, including Sustainable Aviation Fuels. It intends to put up a demo plant near Mumbai or Pune, which shall be commercialised later. The Company is also in discussion with LanzaJet to come up with a SAF production plant using ethanol as feedstock at Panipat.

Catering to the evolving customer needs, while also meeting the energy transition challenges to produce innovative products constantly, may require huge R&D and marketing infrastructure expenditure. Thus, to gain the competitive edge, latest technological interventions such as CRM, AI/VR in marketing etc., will be the required tools as the Company transforms from selling commodities such as MS and HSD to customer-centric energy offerings and solutions.

Exploration & Production

The Company has achieved the upstream integration ratio of ~5% and aspires to achieve an integration ratio of 10% by 2030, by raising its production of oil and gas equivalents to 7 MMTPA by 2023-24 and 11 MMTPA by 2029-30.

Integration into the upstream business serves as a powerful tool for maintaining profitability in the highly volatile international oil prices scenario. Further, in the current geo-political situation, securing oil and gas supplies has become evidently significant in addressing national energy security concerns. The current crisis is a reminder that reliable energy supply is critical to the system and price stability.

Moreover, with growing Net Zero pressure, upstream investments are facing challenges from financers, shareholders and investors. In fact, structural under-investment in hydrocarbons started since the middle of the last decade (which reached its nadir with investment cuts of 2020) as energy prices fell, bringing the project returns down, in tandem with a rising investor focus on ESG.

However, it is estimated that to maintain the global oil production at the current levels by offsetting natural field declines, the global oil and gas industry will still need to make an annual investment of over US$ 400 billion. This underscores the importance of investment in upstream hydrocarbons, even in a world geared for long term Net Zero. The recent spiralling of energy prices corroborates this.

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New Businesses

Green business

Net Zero targets have an inherent technological challenge. Across pathways and agencies, what is amply clear is that radical technological transformation will be fundamental to meet the Net Zero targets. In addition to established technologies like energy efficiency and renewable, many new technologies such as advanced batteries, CCUS, hydrogen, Carbon Dioxide Removal (CDR), geo-engineering, which have not been commercialised yet, will be critical in achieving the Net Zero targets.

Net Zero is a double-edged sword as any country contemplating it should understand the economic structure at a sectoral level to make informed choices about technology, costs and time horizons for the transition. In India's perspective, although the Green Energy technologies have been constantly gaining traction through investor attention and adoption of newer and more efficient technologies, energy security and energy independence are the two areas of concern. India lacks domestic resources, raw materials (like strategic metals, silicon wafers etc.) and technological know-how for developing new technologies such as manufacturing of electrolysers, solar panels and batteries, etc.

For India to achieve its Net Zero target, technology transfer and collaboration in areas such as CCUS, hydrogen will be fundamental. For instance, CCUS is clearly an area which can bring in sizeable emission reductions from heavy energy-intensive units such as refineries. However, while such a big role is etched out for CCUS, there are only 20 or so commercial CCUS plants globally. IndianOil is already carrying out R&D in CCUS. Funding support to make the cost economics work and collaboration seem to be the most important elements for scaling it.

The Company has been steadily investing in these upcoming technologies by collaborating with Indian as well as global technology partners through the JV mode and is also promoting start-ups, which have emerged as powerhouses of innovation in recent years in many areas, including energy. The Government of India is also scouting for opportunities under the Quad alliance to procure key metals and technologies from its partner countries to reduce dependence on raw materials from China. Recently, the Government of India has also imposed an import duty on the import of China-made solar panels to promote manufacturing in India. With the Government of India's support and investments in these upcoming technologies, IndianOil is confident to become a major Green Energy supplier in India.

The cost of Lithium has surged and is continuously increasing because of the exponential rise in the number of EVs requiring lithium-ion batteries globally. To provide a viable low-cost alternative for EV battery, the Company has invested in a joint venture with Phinergy of Israel to create Al-Air batteries. These would be developed on cheaper and abundantly available aluminium. It is expected that these Al-Air batteries can disrupt the EV battery market and can present a feasible low-cost solution compared to lithium-ion batteries used in EVs.

While IndianOil is geared up to meeting the Government's mandate of 20% Ethanol Blending Program (EBP) by 2025, there are a couple of challenges in this pursuit. First, meeting the target entails heavy capital expenditure for making the infrastructure ready for supply and storage of higher blended levels of MS. There are also apprehensions regarding readiness of the auto sector for making available E20-compliant engines by 2025. The auto industry has, in addition, been pressing for supply of E10 and E20 separately to ensure fuel compatibility with both older as well as new engine types. This again could have a huge cost implication for the OMCs as they will need to create two separate supply chains for catering to this differentiated supply. In the Union Budget for 2022-23, a proposal for imposing an additional excise duty of ₹ 2/litre on unblended MS was made. It could have cost implications for the OMCs as they would be required to supply EBP even in the remotest and logistically-challenging terrains.

Gas Business

Increasing the share of gas in the energy mix is crucial to decarbonisation of the Indian economy. A supportive policy environment and bold reforms have invigorated investment in this sector and the Company has taken a leading position in pursuit of the same. Un-bundling of the transportation and marketing of gas is required to ensure open and transparent access to the gas pipelines and levelling the playing field amongst all gas marketing companies.

In fact, third-party access (TPA) to the infrastructure has been seen globally as a vital enabler of market liberalisation and thriving gas markets. The Government of India is contemplating setting up of a central Transmission System Operator (TSO) which takes care of the adequate availability of capacity-related data and will thereby facilitate and enhance a fair and transparent access to the gas pipeline infrastructure in the country, thus enabling seamless movement towards competitive gas markets.

Other Areas

Cryogenics

IndianOil is leveraging its competence in the cryogenics business and in developing cryogenic containers. The cryogenic business is synergetic with the green business initiatives in areas of LNG and hydrogen. This also presents an opportunity to the Company for export of Cryocans and Cryovessels to Bangladesh, Nepal, Sri Lanka, and to various European and African countries.

Explosives

Due to continued growth in the mining and construction sectors, the demand for explosives in the country is surging. The Company is the only OMC which has presence in this growing business segment and is undertaking capacity expansion projects at different locations to cater to this growing demand segment. It is also working towards obtaining long term supply agreements with anchor customers for business stability.

Opportunities in International Markets

In line with the Company's Vision to be 'A Globally Admired Company,' IndianOil has been exploring business opportunities outside India by leveraging its core competencies to export its product and services. To enhance the geo-strategic reach, the Company plans to develop Regional Hubs to coordinate and monitor Global Business Development Activities. The Company plans to focus on the market in African countries such as South Africa, Kenya, Tanzania, Mozambique, Uganda, Angola, Egypt and Ghana, besides the currently catered sub-continent and Indian Ocean markets.

IndianOil: Future Ready

Reducing Carbon Emissions in Operations & Products

- Natural Gas as refinery fuel &; Solar at installations
- RE from grid
- Energy efficient Fuels and Lubricants: Advanced chemistries &; nano technology
- Green Products: EBP, CBG, CNG, SAF, EV Charging
- Energy efficientc operations: Digitization

Integration of New Fuels in Operations

- Refineries Biofuel integration: 1G/2G/2G
- Ethanol & Hydrogen in pipelines
- Waste to energy

Research & innovation

- Green & Blue Hydrogen, Fuel Cells
- CCUS
- Advanced Biofuels
- Battery Technology

Focus on growth markets & products

- Bitumen, ATF, LPG
- Infra push, Energy Access, Economic Growth
- Export markets

Partnering in Gas Economy

- CGD, LNG Terminal, Cross country pipelines, LNG as a fuel

PC Integration for capturing volume & value growth

- Opportunities in hygiene, green energy, tyres, textiles, infrastructure-piping, super absorbent polymers
- Plastic Neutrality

Digitalization

- Customer experience: holistic experience, leverage CRM details for making customised offerings
- Digital Offerings: IOT, Cloud, AI

Skill Development

- Re-skilling & upskilling
- Collaborations

Risks & Concerns

The Covid-19 pandemic impacted the demand, supply and distribution and challenged businesses in every possible way. This, coupled with the current flux in the global macroeconomic and geopolitical environment, has made the risk landscape in current times particularly challenging for organisations across the board.

The major risks identified by the businesses and functions are systematically addressed through mitigating action plans on a continuing basis. Risks are assessed and managed at various levels with a top-down and bottom-up approach, covering the enterprise, the business units, the functions, the market share and projects. The Company is committed to effectively managing the risk matrix it faces with ever-growing resilience and proactiveness.

The risks identified inter-alia include:

- Competition risks arising from competitors within the existing businesses and from new businesses such as alternative energy sources, electric mobility
- Financial risks such as foreign exchange rate fluctuations, exposure to borrowings;
- Economic risks arising from international crude oil and products market fluctuations;
- Operational risks such as pilferages, labour unrest, unplanned shutdown of refineries;
- Security and fraud risks, including cyber-security, data leakage and physical security risks;
- Reputational risks such as brand value risk;
- Environmental risk arising from impact on environment from our business activities and increase in compliance cost in view emerging regulations
- Compliance risks such as tax disputes and litigation; and
- Change in Government policies impacting profitability and ability to do business

In addition to these, with ESG scrutiny on the rise, globally and in India, the Company has broadened its coverage of identified risks to include environmental Impact in terms of GHG emissions impact (SCOPE 1 & 2) and water footprint.

The Company has also recorded the **highest ever profit of ₹ 24184.10 crore** since its inception. During the year, the Company recorded its **best ever annual Gross Refinery Margin of US$ 11.25 per barrel**. The physical performance of the Company has reached near the pre-pandemic levels. **The demand for various transportation and domestic fuels edged up to the pre-pandemic levels,** except for aviation fuel.

Financial Review

During 2021-22, IndianOil posted the highest ever revenue by any Indian corporate at ₹ 7.28 lakh crore. The Company has also recorded the highest ever profit of ₹ 24184.10 crore since its inception. During the year, the Company recorded its best ever annual Gross Refinery Margin of US$ 11.25 per barrel. The physical performance of the Company reached near the pre-pandemic levels. The demand for various transportation and domestic fuels edged up to the pre-pandemic levels, except for aviation fuel.

The Standalone financial performance of the Company and the various Segments is as under:

₹ in crore

Particulars	2021-22	2020-21	Variation
Revenue from Operations	7,28,460	5,14,890	2,13,570
EBITDA	47,568	42,614	4,954
PBT	31,733	29,716	2,017
Net Profit	24,184	21,836	2,348
Cash Profit	35,190	31,640	3,550
Borrowings	1,10,799	94,413	16,386
Revenue from Operations (Segment Wise)			
Petroleum	6,79,426	4,84,610	1,94,816
Petrochemicals	28,091	19,150	8,941
Other Businesses*	20,943	11,130	9,813
EBIT (Segment Wise)			
Petroleum	26,934	23,854	3,080
Petrochemicals	4,685	5,218	(533)
Other Businesses*	1,329	(123)	1,452
Other un-allocable (expenditure)/Income-net	3,614	3,861	(247)

*Other Business comprises Sale of Natural Gas, Explosives, Cryogenics, Wind& Solar Power and Oil & Gas E&P activities.

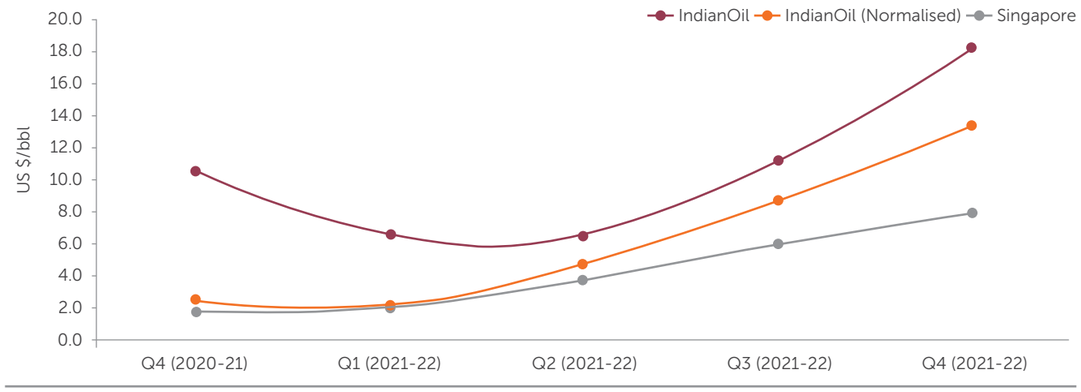
Standalone Financial Performance

The Revenue from Operations increased by about 41% during the year (from ₹ 5,14,890 crore during 2020-21 to ₹ 7,28,460 crore during 2021-22). Nearly 80% of this growth was mainly on account of the increase in product price and the remaining was primarily due to the increase in sales volumes. Average crude price of the Indian Basket for 2021-22 registered an increase of 76% from US$ 44.84/bbl in the previous year to US$ 79.00/bbl in the current year.

The Company's EBITDA, Operating Profit and Net Profit margin for the current year were at 6.53%, 4.43% and 3.32% respectively, compared to 8.28%, 5.49% and 4.24% in the previous year. However, in gross terms the Company's EBIDTA and Net Profit have gone up from ₹ 42,614 crore to ₹ 47,568 crore and from ₹ 21,836 crore to ₹ 24,184 crore respectively in the current year compared to 2020-21. The increase in EBITDA, operating profit and net profit is mainly on account of inventory gains and better refinery margins in the current year. Riding on these factors, the Company's return on average capital employed and efficiency to deploy its assets to produce the revenue has improved from 15.20% to 15.44% and from 1.61 times to 2.03 times respectively in the current year compared to the previous year 2020-21.

At the beginning of the year, crude prices (Indian Crude Basket) were about US$ 62/bbl, which went up to US$ 128/bbl in March 2022 and closed at US$ 108/bbl. The average HSD crack spread increased from about US$ 3/bbl in the previous year to US$ 10/bbl during the year with high volatility and even touched a high of US$ 49/bbl in March 2022. Similarly, MS crack spread, which was about US$ 3/bbl in the previous year, improved to US$ 11/bbl during the year and even touched a high of US$ 22/bbl in March 2022.

Quarter-wise movement in refining margins



As can be seen from the graph above, the Singapore benchmark for the Refining Margin improved during the year on account of the higher spread between international prices of petroleum products and crude. IndianOil's current price refining margin (i.e. normalised) during the year has moved in tandem with the international margins. The inventory holding by IndianOil is high on account of inland refineries, due to which, inventory gain/loss becomes significant during the fluctuating prices scenario and greater volatility is seen in reported margins. Normalised GRM of IndianOil increased from US$ 2.31/bbl in 2020-21 to US$ 7.61/bbl in 2021-22 compared to the increase in the Singapore GRM from US$ 0.54/bbl to US$ 4.99/bbl.

The ratio of Current Assets to Current Liabilities and the Debt:Equity ratio continues to remain at the same levels as that of previous year. Interest coverage ratio has deteriorated to the levels of 8.25 times compared to 11.24 times in the previous year, mainly on account of the exchange variation. The inventory-holding period is about 46 days and the Company's average collection period is 8 days. The details of significant changes in key financial ratios alongwith explanations thereof is provided in note no. 48 of the Financial Statements.

The Company has paid a total dividend of ₹ 9,640 crore during 2021-22. The EPS of the Company for 2021-22 is ₹ 26.34 and interim dividend paid during the year translates to ₹ 9.00 per share. In addition, a final dividend of ₹ 2.40 per share (post bonus) and issue of bonus equity shares in the ratio of one equity share for every two equity shares has been recommended by the Board. Detailed financial indicators and ratios for the last five years are provided in the section - 'Performance at a Glance'- forming a part of the Annual Report.

Group Financial Performance

The Group's Revenue from Operations was at ₹ 7,36,731 crore during the year, highest for any Indian company, compared to ₹ 5,20,237 crore in the previous year and the Net Profit was ₹ 25,102 crore compared to ₹ 21,638 crore in the previous year. The detailed profit walk-through from Standalone to Group is provided in Note 46 of the Consolidated Financial Statements.

The details of major subsidiaries and joint ventures are provided in Note 33A and 33B to Consolidated Financial Statements. During the year subsidiaries Chennai Petroleum Corporation Limited, reported a profit of ₹ 1,352.03 crore and total Comprehensive Income of ₹ 1,375.53 crore, and Lanka IOC PLC, reported a profit of Sri Lankan ₹ 481.85 crore and a total Comprehensive Income of Sri Lankan ₹ 481.49 crore, which translated to a loss of ₹ (104.86) crore with a total Comprehensive Income of ₹ (169.19) crore, after adjustments, as per IndAS. Under Joint Ventures, Indian Oiltanking Limited reported a profit of ₹ 115.83 crore and a total Comprehensive Income of ₹ 115.75 crore and IndianOil Petronas Private Limited reported a profit of ₹ 189.77 crore and a total Comprehensive Income of ₹ 189.81 crore.

Internal Control Systems

The Company has put in place an internal control system comprising rules, policies and procedures that provide direction and increase efficiency but also strengthen the adherence to policies, while ensuring smooth and efficient business processes. The Company has laid down various policies as well as detailed manuals, which cover almost all the aspects of the business.

The internal processes and policies are reviewed from time to time to align them with the changing business requirements. Organisation-level controls, operational-level controls, anti-fraud controls and general IT controls have been put in place to ensure that business operations are carried out efficiently and effectively and chances of errors/frauds are minimised. The internal control systems are commensurate with the size and operations of the Company.Ithas an independent internal audit department, headed by a Chief General Manager, who reports to the Chairman. The department has officers from finance as well as other various technical functions. The audit assignments are carried out as per the annual audit programme, approved by the Chairman and the Audit Committee. The internal audit carries out extensive audits throughout the year covering every business process. The statutory auditors are also required to issue the independent auditor's report on the internal financial controls over financial reporting for the Company under clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013. The report issued thereupon is attached to the standalone and consolidated financial statements respectively. The Audit Committee carries out a detailed review of the financial statements and deliberations with the internal auditors and statutory auditors before the same is recommended to the Board for approval.

Human Resources

IndianOil believes in holistic and meaningful employee engagements and the development of its human resources. The Company engages with the employees to tap their highest potential for the growth of its business. The Company assigns great importance to develop its human resources with a focus on its core values of Care, Innovation, Passion and Trust in building a cohesive workforce. It believes that the challenges surrounding the business environment can be mitigated by a workforce that is motivated, adaptive to change, innovative and fast in learning. Integrated HR practices through focused recruitment, career path and learning and development have contributed to the future readiness of the workforce. The Company has a structured and robust succession planning framework for the identification and development of talent for the leadership pipeline. IndianOil has not only groomed several visionary leaders who led and transformed the Company over the years but also groomed leaders for both the public and the private sectors. During the ongoing Covid-19 pandemic, the Company took several initiatives to ensure the safety and well-being of its employees as well as its frontline workers engaged with its business partners.

IR Climate – Collaborative Value

The industrial relations (IR) climate in the Company has traditionally been harmonious. A collaborative IR climate has been maintained in the Company over the years to always be ready for the challenges. This has been reflected by the tireless efforts of the employees as well as its business partners during the Covid-19 pandemic, to ensure the supply of petroleum products across the country even during the lockdowns. The Company constantly shares the changes in its business environment, the consequent changes required in strategy and business models, the resultant impact on the current business and the people, along with future plans with the collectives and takes their views and suggestions into consideration. Regular structured meetings are held between the management and the collectives to discuss and deliberate on issues like productivity, welfare and the need to build a responsive and responsible organisation. The collectives have always steadfastly supported the management in overcoming challenges faced by the Company.

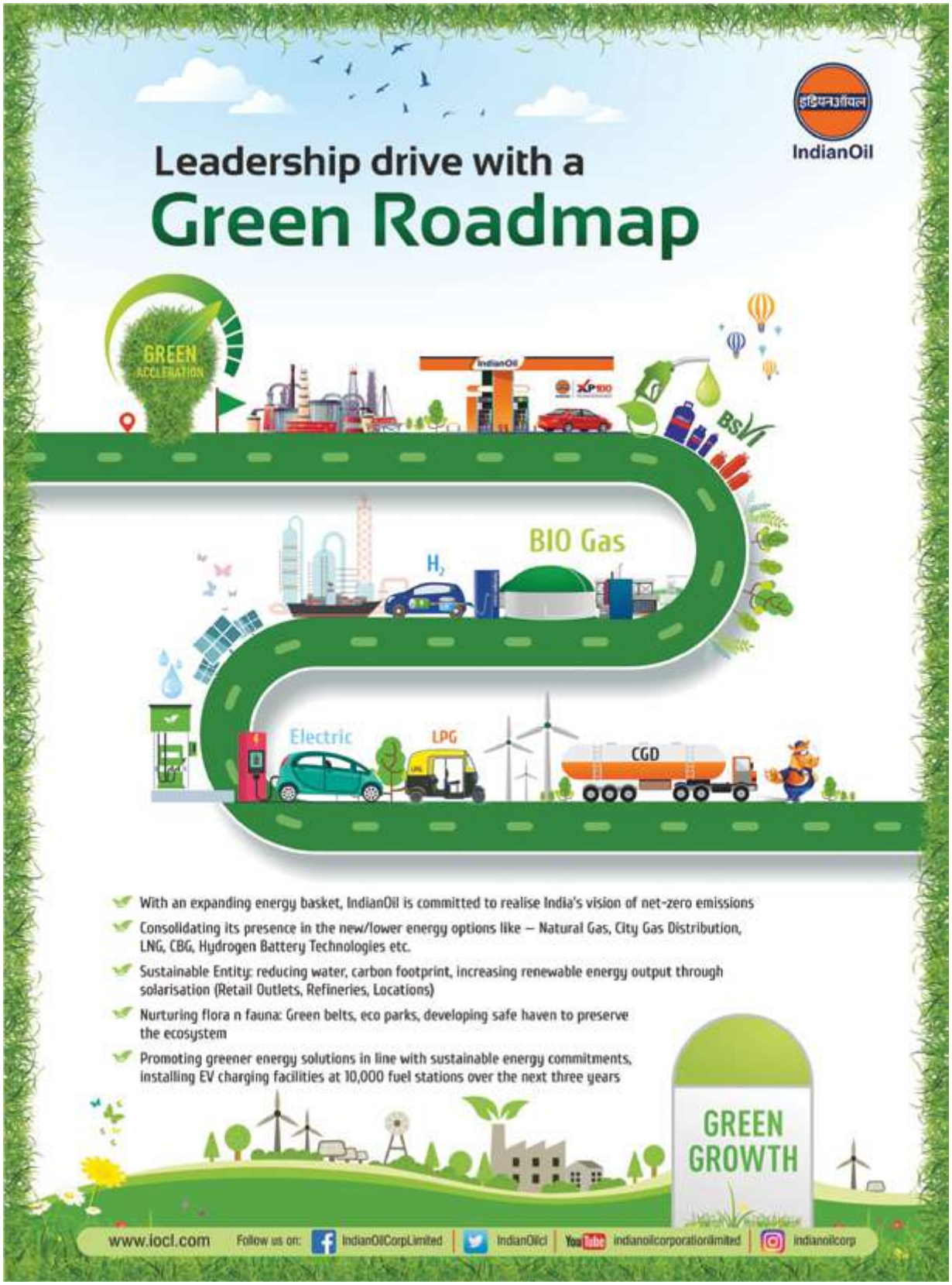
As of March 31, 2022, the employee strength of the Company was at 31,254, which comprised 17,929 executives and 13,325 non-executives, including 2,718 women employees.

Other Information

The details regarding the Company's CSR programmes, environment protection and conservation initiatives, technology absorption and adoption efforts, forays into renewable energy and foreign exchange conservation, etc., are provided in the Directors' Report and the Annexure.

Cautionary Statement

The information and statements in the Management's Discussion & Analysis regarding the objectives, expectations or anticipations may be forward-looking within the meaning of applicable securities, laws and regulations. The actual results may differ materially from the expectations. The various critical factors that could influence the operations of the Company include global and domestic demand and supply conditions affecting the selling price of products, input availability and prices, changes in Government of India regulations/tax laws, economic developments within the country and factors such as litigation and industrial relations.



Financial Statements

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INDEPENDENT AUDITORS' REPORT

To
The Members of Indian Oil Corporation Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Indian Oil Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information in which are incorporated the financial statements for the year ended on that date audited by the Branch Auditor of the Company's one Branch, namely Research & Development (R&D) division situated at Faridabad, Haryana, India.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI"), together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matters	Auditors' response to Key Audit Matters
Property, Plant & Equipment and Intangible Assets There are areas where management judgement impacts the carrying value of property, plant and equipment, intangible assets and their respective depreciation/amortisation rates. These include the decision to capitalise or expense costs; the annual asset life review; the timeliness of the capitalisation of assets and the use of management assumptions and estimates for the determination or the measurement and recognition criteria for assets retired from active use. Due to the materiality in the context of the Balance Sheet of the Company and the level of judgement and estimates required, we consider this to be as area of significance.	We assessed the controls in place over the fixed asset cycle, evaluated the appropriateness of capitalisation process, performed tests of details on costs capitalised, the timeliness of the capitalisation of the assets and the de-recognition criteria for assets retired from active use. In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realizable value of the assets retired from active use; the appropriateness of assets lives applied in the calculation of depreciation; the useful

Key Audit Matters	Auditors' response to Key Audit Matters
	lives of assets prescribed in Schedule II to the Act and the useful lives of certain assets as per the technical assessment of the management. We observed that the management has regularly reviewed the aforesaid judgements and there are no material changes.
Provision for Direct Taxes The Company has uncertain direct tax positions including matters under dispute which involves significant judgement relating to the possible outcome of these disputes in estimation of the provision for income tax. Because of the judgement required, the area is a key audit matter for our audit.	Our audit procedures involved assessment of the management's underlying assumptions in estimating the tax provision (as confirmed by the Company's tax consultants) and the possible outcome of the disputes taking into account the legal precedence, jurisprudence and other rulings in evaluating management's position on these uncertain direct tax positions. We have also assessed the disclosures made by the company in this regard.
Provisions and Contingent Liabilities The Company is involved in various taxes and other disputes for which final outcome cannot be easily predicted and which could potentially result in significant liabilities. The assessment of the risks associated with the litigations is based on complex assumptions, which require the use of judgement and such judgement relates, primarily, to the assessment of the uncertainties connected to the prediction of the outcome of the proceedings and to the adequacy of the disclosures in the standalone financial statements. Because of the judgement required, the materiality of such litigations and the complexity of the assessment process, the area is a key matter for our audit.	Our audit procedures in response to this Key Audit Matter included, among others, • Assessment of the process and relevant controls implemented to identify legal and tax litigations and pending administrative proceedings. • Assessment of assumptions used in the evaluation of potential legal and tax risks performed by the legal and tax department of the Company considering the legal precedence and other rulings in similar cases. • Inquiry with the legal and tax departments regarding the status of the most significant disputes and inspection of the key relevant documentation. • Analysis of opinion received from the experts wherever available. • Review of the adequacy of the disclosures in the notes to the standalone financial statements.
Investments in Subsidiaries, Joint Ventures and Associates Investments in subsidiaries, joint ventures and associates which are valued at cost have been adjusted for impairment losses in line with "Ind AS 36 Impairment of assets". In case there is an indication of possible impairment, the Company carries out an impairment test by comparing the recoverable amount of the investments determined according to the value in use method and their carrying amount. The valuation process adopted by management is complex and is based on a series of assumptions, such as the forecast cash flows, the appropriate discounting rate and the growth rate. These assumptions are, by nature, influenced by future expectations regarding the evolution of external market. Since judgement of the management is required to determine whether there is indication of possible impairment and considering the subjectivity of the estimates relating to the determination of the cash flows and the key assumptions of the impairment test, the area is considered a key audit matter for our audit.	With reference to this key audit matter, we considered the following: • Book value of the investments in subsidiaries, joint venture and associates as compared to the carrying amount. • Market capitalization in case of listed entities in which investments have been made. • Some of the entities are still in the construction stage and have not begun commercial operations. Based on the information and explanations obtained as above, we concluded that the Management's judgement regarding indication of impairment in certain investments during the year is appropriate. Where there is indication of impairment, we examined the approach taken by management to determine the value of the investments, analysed the methods and assumptions applied by management to carry out the impairment test and the reports obtained from the experts in valuation.

Key Audit Matters	Auditors' response to Key Audit Matters
	The following audit procedures were adopted: • identification and understanding of the significant controls implemented by the Company over the impairment testing process; analysis of the reasonableness of the principal assumptions made to estimate their cash flows, and obtaining other information from management that we deemed to be significant; • analysis of actual data of the year and previous years in comparison with the original plan, in order to assess the nature of variances and the reliability of the planning process; • assessment of the reasonableness of the discount rate and growth rate; • Verification of the mathematical accuracy of the model used to determine the value in use of the investments. We also examined the adequacy of the information provided by the Company about the impairment test and its consistency with the requirements of Ind AS 36.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Financial Performance highlights, Board's Report including Annexure to Board's Report, Management Discussions and Analysis, Business Responsibility and Sustainability Report, Report on Corporate Governance, Shareholders Information and other information in the Integrated Annual Report but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and identified above when it becomes available, and in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of auditors' report, we conclude that there is a material misstatement of this information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information, which we will obtain after the date of auditors' report and if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of one Branch included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ **1,471.59** crore as at March 31, 2022 and total revenues of ₹ **42.38** crore for the year ended on that date, as considered in the standalone financial statements. The financial statements of this Branch have been audited by the Branch Auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this Branch, is based solely on the report of such Branch Auditor.

The standalone financial statements include the Company's proportionate share (relating to Jointly controlled operations of E&P activities) in assets ₹ **716.94** crore and liabilities ₹ **122.31** crore as at March 31, 2022 and total revenue of ₹ **126.39** crore and profit before tax of ₹ **49.59** crore for the year ended on that date and in items of the statement of cash flow and related disclosures contained in the enclosed standalone financial statements. Our observations thereon are based on unaudited statements from the operators to the extent available with the Company in respect of 21 Blocks (out of which 11 Blocks are relinquished) and have been certified by the management.

Our opinion in respect thereof is solely based on the management certified information.

We have also placed reliance on technical/ commercial evaluations by the management in respect of categorization of wells as exploratory, development and dry well, allocation of cost incurred on them, liability under New Exploration Licensing Policy (NELP) and nominated blocks for under-performance against agreed Minimum Work Programme.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub- section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraphs 3 and 4 of the said Order, to the extent applicable.

2. We are enclosing our report in terms of Section 143 (5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "Annexure B" on the directions issued by the Comptroller and Auditor General of India.

3. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branch not visited by us.

   c. The report on the accounts of the Branch office of the Company audited under section 143(8) of the Act, by Branch Auditor has been furnished to us and has been properly dealt with by us in preparing this report.

   d. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account and with the returns received from the Branch not visited by us.

   e. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

   f. We have been informed that the provisions of Section 164(2) of the Act in respect of disqualification of directors are not applicable to the Company, being a Government Company in terms of notification no. G.S.R.463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India.

   g. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure C".

   h. We are informed that the provisions of Section 197 read with Schedule V of the Act, relating to managerial remuneration are not applicable to the Company, being a Government Company, in terms of Ministry of Corporate Affairs Notification no. G.S.R. 463 (E) dated 5th June, 2015.

i. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements-Refer Note 36B to the standalone financial statements.

ii. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts - Refer Note 17 to the standalone financial statements.

iii. There has been no delay in transferring the amount, required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note 31 to the standalone financial statements:

a) The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013.

b) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

The Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For G. S. MATHUR & CO.	For K. C. MEHTA & CO.	For SINGHI & CO.	For S R B & ASSOCIATES
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn. No. 008744N	Firm Regn. No. 106237W	Firm Regn. No. 302049E	Firm Regn. No. 310009E
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M. No. 091007	M. No. 101533	M. No. 063769	M. No. 053960
UDIN:	UDIN:	UDIN:	UDIN:
22091007AJCGDJ7522	22101533AJCFWW8790	22063769AJCGVY1618	22053960AJCGGK4519

Place: New Delhi
Date: 17th May 2022

Annexure A to the Independent Auditors' Report

Annexure referred to in Independent Auditors' Report to the members of Indian Oil Corporation Limited on the standalone financial statements for the year ended March 31, 2022

(i) (a) (A) The Company has generally maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has generally maintained proper records showing full particulars of intangible assets.

(b) There is a regular programme of physical verification of all Property, Plant and Equipment, other than LPG cylinders and pressure regulators with customers, over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. In our opinion and as per the information given by the Management, the discrepancies observed were not material and have been appropriately accounted for in the books.

(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title/ lease deeds of all the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company. The details of exceptions are given in "Appendix A" to this report.

(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.

(e) According to the information and explanations given to us, no proceeding has been initiated or is pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) (a) According to the information and explanations given to us, the inventory (excluding inventory lying with third parties, inventory under joint operations and material in transit) has been physically verified by the management during the year and in our opinion, the frequency of verification is reasonable. As explained to us, no discrepancy of 10% or more in the aggregate for each class of inventory was noticed on physical verification of inventories as compared to the book records.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and financial institutions on the basis of security of current assets. Also, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of account of the Company.

(iii) (a) In our opinion and according to the information and explanations given to us, the Company has granted loans or provided advances in the nature of loans, or stood guarantee, or provided security during the year to the following entities:

Particulars (in ₹ crore)	Guarantees	Security	Loans	Advances in nature of Loans
Aggregate amount granted/provided during the year:				
- Subsidiary*	**372.58**	**-**	**-**	**-**
- Associates	**-**	**-**	**-**	**-**
- Joint Ventures@	**-**	**-**	**271.49**	**-**
- Others	**-**	**-**	**427.97**	**88.67**
Balance outstanding as at balance sheet date in respect of above cases:				
- Subsidiary*	**381.16**	**-**	**-**	**-**
- Associates	**-**	**-**	**-**	**-**
- Joint Ventures@	**-**	**-**	**273.42**	**-**
- Others	**-**	**-**	**407.65**	**36.23**

*Guarantees to Subsidiary include CAD 63 million (₹ 372.58 crore) granted during the year which stands outstanding at CAD 63 million (₹ 381.16 crore) as on the balance sheet date.

@ Loans to Joint Ventures include USD 21.44 million (₹ 160.59 crore) granted during the year which stands outstanding at USD 21.44 million (₹ 162.52 crore) as on the balance sheet date.

b) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest.

(c) In our opinion and according to the information and explanations given to us, the schedule of repayment of principal and payment of interest with respect to loans and advances in the nature of loans, has been stipulated and the repayments or receipts are regular.

(d) In our opinion and according to the information and explanations given to us, the total amount overdue for more than 90 days is Nil.

(e) According to the information and explanations given to us, two cases were found where the loan or advance in the nature of loan granted which have fallen due during the year, have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties which are as follows:

Name of the parties	Aggregate amount of overdues of existing loans renewed or extended or settled by fresh loans (in ₹ crore)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Petronet VK Limited	**110.9**	**14.07%**
Suntera Nigeria 205 Limited	**160.59**	**20.38%**

(f) In our opinion and according to the information and explanations given to us, no such cases are found where the Company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion and according to the information and explanations given to us, the Company is exempted from the provisions of section 186 of the Act (except section 186(1) of the Act) as it is engaged in the business of providing infrastructure facilities as provided under Schedule-VI of the Act. The provisions of section 186(1) of the Act are not applicable to the Company. The Company has complied with the provisions of Section 185 of the Act.

(v) In our opinion and according to the information and explanations given to us, during the year, the Company has not accepted deposits from the public in terms of the provisions of sections 73 to 76 of the Act read with the Companies (Acceptance of Deposits) Rules,2014, as amended and other relevant provisions of the Act or under the directives issued by the Reserve Bank of India and no deposits are outstanding at the year-end except old cases under dispute aggregating to ₹ 0.01 crore, where we are informed that the Company has complied with necessary directions.

(vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act, read with Companies (Cost Records & Audit) Rules, 2014, as amended and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.

(vii) (a) According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employee's state insurance, income-tax, value added tax, goods and services tax, excise duty, cess and other statutory dues applicable to it. Further, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, value added tax, goods and services tax, cess and any other statutory dues were in arrears, as at March 31, 2022, for a period of more than six months from the date they become payable.

(b) The disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities are annexed in "Appendix B" with this report.

(viii) According to the information and explanations given to us, there are no transactions which were not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the Company has applied the term loans for the purpose for which loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at year end i.e. 31st March 2022, we report that funds raised on short-term basis to the extent of ₹ 31,239.97 crore have been used for long-term purposes. However, during the year funds raised on short-term basis have not been used for long-term purposes.

(e) According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

(f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.

(x) (a) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. However, the Company has issued non-convertible debentures for capital expenditure requirements through private placement and as per the information and explanations given to us, the funds were applied for the purpose for which those were raised.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year and therefore provisions of Section 42 and 62 of the Act are not applicable to the Company.

(xi) (a) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, no material case of frauds by the Company or on the Company has been noticed or reported during the year.

(b) No report has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report.

(c) According to the information and explanations given to us, no whistle blower complaints were received by the Company during the year.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and therefore, the reporting under Clause 3 (xii)(a), 3(xii)(b) & 3(xii)(c) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given by the management, all transactions during the year with the related parties were approved by the Audit Committee and are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone financial statements, as required by the applicable Indian accounting standards.

(xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions specified under section 192 of the Act with directors, or persons connected with directors and therefore, reporting under clause (xv) of the Order is not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a), 3(xvi)(b), 3(xvi)(c) & 3(xvi)(d) is not applicable.

(xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the financial year 2021-22 and in the immediately preceding financial year 2020-21.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) is not applicable.

(xix) In our opinion and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the Board of Directors and management plans given to us, no material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) (a) In our opinion and according to the information and explanations given to us, in respect to "other than ongoing projects", there are no unspent amounts that are required to be transferred to the Funds specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) In our opinion and according to the information and explanations given to us, with respect to "ongoing projects", there are no unspent amounts that are required to be transferred to a special account, within a period of thirty days from the end of the financial year in compliance with section 135(6) of the said Act.

(xxi) According to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order 2020 (CARO) reports of the companies included in the consolidated financial statements.

For G. S. MATHUR & CO.	For K. C. MEHTA & CO.	For SINGHI & CO.	For S R B & ASSOCIATES
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn. No. 008744N	Firm Regn. No. 106237W	Firm Regn. No. 302049E	Firm Regn. No. 310009E
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M. No. 091007	M. No. 101533	M. No. 063769	M. No. 053960
UDIN:	UDIN:	UDIN:	UDIN:
22091007AJCGDJ7522	22101533AJCFWW8790	22063769AJCGVY1618	22053960AJCGGK4519

Place: New Delhi
Date: 17th May 2022

Reporting as per Companies (Auditor's Report) Order 2020
Immovable Property not held in the name of the Company

Appendix – A

Sl. No.	Description of the property	Gross Carrying Value (in ₹ crore)	Held in name of	Whether promoter, director or their relative or employee	Property held since (Year)	Reason for not being held in name of company
1	**Freehold**					
	Freehold Land					
	Freehold Land*	0.00	Nalluswamy Ramar	No	2005	Purchase process for the private land portion shall be completed after rate fixation from the Government.
	Freehold Land	0.01	Not available	No	1995	The title deed is not available either with the functional department or with the law department. Action has been taken to retrieve the documents.
	Freehold Land	0.02	Ramavathi/ Legal heirs	No	1995	Title Appeal has been filed before Jharkhand High Court. Approval for the same is under process.
	Freehold Land*	0.00	Ramavathi/ Legal heirs	No	1995	Title Appeal has been filed before Jharkhand High Court. Approval for the same is under process.
	Freehold Land	51.90	Government of Assam	No	2017	Entry of the name of Company in Jamabandi/Mutation record is pending.
	Freehold Land*	0.00	Government of Assam	No	1982	Mutation is pending.
	Freehold Land	0.01	Government of Assam	No	1985	Mutation is pending.
	Freehold Land*	0.00	Not available	No	1959	Title Deed is not available or found. Re-generation of title deed is in process for making an application to Sub registrar.
	Freehold Land	0.10	Bharat Petroleum Corporation Limited (BPCL)	No	1990	The land has been registered in the name of BPCL. BPCL has demarcated 77,540 Sqm of land in the name of Company.
	Freehold Land	0.52	Kerala state Government (GCDA)	No	2003	Retail sales dept is following up with Govt. Secretary and GCDA for registration.
	Freehold Land	5.77	Indian Railways	No	1994	The said land had been exchanged with railways for construction of railway siding and the same had not been registered. However a person had disputed the title in the court claiming that they have registered documents to portion of the land (400 Sq.Yards). Pending the decision of the Railways and the legal case, IOC is unable to go ahead with the registration of land.
	Land allotted by Government of Assam	0.16	Government of Assam	No	1962	Land measuring 60.50 Acre not registered in the name of Company, for which follow-up is being made with the government
	Freehold Land	0.20	Government of Bihar	No	1959	The matter related to the claim of District Authorities, for additional cost of Registration charges, is pending with the Hon'ble High Court, Patna.
	Total	**58.69**				

Reporting as per Companies (Auditor's Report) Order 2020

Immovable Property not held in the name of the Company (Contd..)

Appendix – A

Sl. No.	Description of the property	Gross Carrying Value (in ₹ crore)	Held in name of	Whether promoter, director or their relative or employee	Property held since (Year)	Reason for not being held in name of company
	Freehold Building					
	Freehold Building	5.42	State Government of West Bengal	No	1989	The executed deed was not registered after taking over the building. Mutation of this plot of Land & Building is not available.
	Freehold Building	0.01	M/s Bonny Enterprise	No	1984	No one from Bonny Enterprise is traceable. Probably Bonny enterprise is closed. Therefore, Title Deed cannot be executed.
	Freehold Building	0.04	M/s Bonny Enterprise	No	1983	
	Freehold Building (3 cases)	0.06	M/s Bonny Enterprise	No	1985	
	Freehold Building	0.06	Mukund Constructions	No	1984	Matter is under Litigation for execution of sale deed
	Total	**5.58**				
2	**ROU Assets**					
	Leasehold Land					
	ROU - Leasehold Land	0.01	Not available	No	1993	The title deed is not available either with the functional department or with the law department. Action has been taken to retrieve the documents.
	ROU - Leasehold Land (3 cases)	0.08	Tata Iron and Steel Company Limited (TISCO)	No	1996	The Land has been awarded to TISCO during British Govt. Embargo from State Govt. over Subleasing to Company.
	ROU - Leasehold Land	0.01	Tata Iron and Steel Company Limited (TISCO)	No	1996	The Land has been awarded to TISCO during British Govt. Embargo from State Govt. over Subleasing to Company.
	ROU - Leasehold Land	0.05	Tata Iron and Steel Company Limited (TISCO)	No	1996	The Land has been awarded to TISCO during British Govt. Embargo from State Govt. over Subleasing to Company.
	ROU - Leasehold Land (9 cases)	14.85	Indian Air Force	No	2011	Air Force Stations Umbrella Agreement/ MOU, but no individual Agreements for various locations are available.
	ROU - Leasehold Land (3 cases)	19.06	Indian Air Force	No	2019	Air Force Stations Umbrella Agreement/ MOU, but no individual Agreements for various locations are available.
	ROU - Leasehold Land (22 cases)	259.54	Indian Air Force	No	2011	Air Force Stations Umbrella Agreement/ MOU, but no individual Agreements for various locations are available.
	ROU - Leasehold Land	1.83	Indian Air Force	No	1995	Air Force Stations Umbrella Agreement/ MOU, but no individual Agreements for various locations are available.
	ROU - Leasehold Land	1.94	Mumbai Port Trust (MbPT)	No	1998	A letter was submitted to MbPT Chairman office requesting (a) waiver of interest on arrears; and (b) renewal of expired lease. The concerned location is following up with MbPT.
	ROU - Leasehold Land	1.84	Indian Railways	No	2018	Draft lease deed has been submitted to Railways. Awaiting confirmation from it.

Appendix – A

Sl. No.	Description of the property	Gross Carrying Value (in ₹ crore)	Held in name of	Whether promoter, director or their relative or employee	Property held since (Year)	Reason for not being held in name of company
	ROU - Leasehold Land	25.28	Indian Air Force	No	2011	Air Force Stations Umbrella Agreement/ MOU, but no individual Agreements for various locations are available.
	ROU - Leasehold Land (2 cases)	0.48	Madhya Pradesh Government	No	1994	Title deed is pending for execution with MP Government, Revenue land office.
	ROU - Leasehold Land*	0.00	Northern Coalfields Limited (NCL)	No	1992	Lease deed with NCL for Jayant Depot land is not available with Company and NCL. The Company is supplying product to other Retail Outlet from Jayant Depot, the lease agreement is yet to be executed.
	ROU - Leasehold Land	0.10	Tuticorn Port Trust	No	1998	The lease agreement is not yet signed due to dispute with Tuticorin Port Trust on incorporation of MGT clause
	ROU - Leasehold Land	0.48	Indian Air Force	No	2019	Air Force Stations Umbrella Agreement/MOU, but no individual Agreements for various locations are available.
	Leasehold Land at Mathura Refinery	10.18	Government of Uttar Pradesh	No	1977	Approval for lease deed & execution is pending at the level of Department of Industries, UP Government, Lucknow.
	Leasehold Land of Calico Mill, Baroda	31.99	Gujarat Industrial Development Corporation	No	2006	Case is pending in High Court
	Leasehold land at Paradip	0.04	Government of Odisha	No	2019	Transfer of land in name of Company is under process
	Leasehold Land at Jobra Barrage Water Intake Facility	27.54	Government of Odisha	No	2010	Transfer of land in name of Company is under process
	Leasehold land at Paradip	4.83	Government of Odisha	No	2010	Transfer of land in name of Company is under process
	Total	**400.12**				
	Leasehold Building					
	NBCC_Type VI Flats & Parking_ Kidwai Nagar	20.42	National Buildings Construction Corporation (NBCC)	No	2018	Under process to be registered through Land &Development Office, Ministry of Housing and Urban Affairs

Reporting as per Companies (Auditor's Report) Order 2020

Immovable Property not held in the name of the Company (Contd..)

Appendix – A

Sl. No.	Description of the property	Gross Carrying Value (in ₹ crore)	Held in name of	Whether promoter, director or their relative or employee	Property held since (Year)	Reason for not being held in name of company
	NBCC Commercial Space	231.02	National Buildings Construction Corporation (NBCC)	No	2021	Under process to be registered through Land &Development Office, Ministry of Housing and Urban Affairs
	NBCC_Building_ Type V Flats	17.67	National Buildings Construction Corporation (NBCC)	No	2020	Under process to be registered through Land &Development Office, Ministry of Housing and Urban Affairs
	Total	**269.11**				
3	**Investment Property**	-	-	-	-	
4	**Non-Current Assets held for sale**	-	-	-	-	-
	Grand Total	**733.50**				

***Following values are not reflected above due to rounding off:**

Particulars	Held in name of	Gross Carrying value (in ₹)
Freehold Land	Nalluswamy Ramar	30,000
Freehold Land	Ramavathi/ Legal heirs	25,540
Freehold Land	Govt. of Assam	45,000
Freehold Land	Not Available	24,416
ROU-Leasehold Land	Northern Coalfields Limited	1

Disputed Statutory Dues

Appendix – B

Sl. No.	Name of the Statute	Nature of Dues	Forum where Dispute is pending	Gross Amount (₹ crore)	Amount Paid under Protest (₹ crore)	Amount (net of deposits) (₹ crore)	Period to which the Amount relates
1	CENTRAL EXCISE ACT, 1944	CENTRAL EXCISE					
			Supreme Court	102.04	10.00	92.04	1991 to 2019
			High Court	308.13	0.56	307.57	1994 to 2019
			Tribunal	2,199.75	37.81	2,161.94	1991 to 2019
			Revisionary Authority	15.65	0.04	15.61	2006 to 2022
			Appellate Authority (Below Tribunal)	319.38	7.92	311.46	1999 to 2020
			Total	**2,944.95**	**56.33**	**2,888.62**	
2	CUSTOMS ACT, 1962	CUSTOMS DUTY					
			Supreme Court	17.88	4.05	13.83	1998 to 2022
			High Court	1.84	-	1.84	2018 to 2022
			Tribunal	50.59	0.29	50.3	2002 to 2021
			Appellate Authority (Below Tribunal)	6.88	-	6.88	1990 to 2018
			Total	**77.19**	**4.34**	**72.85**	
3	SALES TAX/ VAT LEGISLATIONS	SALES TAX/ VAT/ TURNOVER TAX					
			Supreme Court	157.23	18.57	138.66	1995 to 2020
			High Court	602.74	125.79	476.95	1998 to 2022
			Tribunal	4,028.65	993.55	3,035.10	2006 to 2022
			Revisionary Authority	204.07	3.64	200.43	2002 to 2014
			Appellate Authority (Below Tribunal)	1,637.15	69.36	1,567.79	1997 to 2022
			Total	**6,629.84**	**1,210.91**	**5,418.93**	
4	INCOME TAX ACT, 1961	INCOME TAX					
			High Court	0.88	-	0.88	2001 to 2003
			Tribunal	783.52	409.95	373.57	2010 to 2014
			Appellate Authority (Below Tribunal)	5,687.49	749.55	4,937.94	2004 to 2020
			Total	**6,471.89**	**1,159.49**	**5,312.39**	

Disputed Statutory Dues (Contd..)

Appendix – B

Sl. No.	Name of the Statute	Nature of Dues	Forum where Dispute is pending	Gross Amount (₹ crore)	Amount Paid under Protest (₹ crore)	Amount (net of deposits) (₹ crore)	Period to which the Amount relates
5	FINANCE ACT, 1994	SERVICE TAX					
			High Court	1.69	-	1.69	2003 to 2012
			Tribunal	305.22	0.47	304.75	2006 to 2021
			Appellate Authority (Below Tribunal)	6.41	0.23	6.18	2012 to 2022
			Total	**313.32**	**0.70**	**312.62**	
6	STATE LEGISLATIONS	ENTRY TAX					
			Supreme Court	3.08	-	3.08	2010 to 2022
			High Court	5,664.28	102.94	5,561.34	1999 to 2018
			Tribunal	53.40	28.27	25.13	1999 to 2019
			Revisionary Authority	6.77	5.53	1.24	1999 to 2022
			Appellate Authority (Below Tribunal)	2.26	1.08	1.18	2008 to 2010
			Total	**5,729.79**	**137.82**	**5,591.97**	
7	The IGST Act, 2017	GST					
			Appellate Authority (Below Tribunal)	1.36	0.14	1.22	2019 to 2022
			Total	**1.36**	**0.14**	**1.22**	
8	OTHER CENTRAL / STATE LEGISLATIONS	OTHERS COMMER-CIAL TAX etc.					
			Supreme Court	12.03	-	12.03	2004 to 2011
			High Court	50.46	-	50.46	2001 to 2022
			Appellate Authority (Below Tribunal)	14.76	-	14.76	2011 to 2021
			Total	**77.25**	**-**	**77.25**	
			GRAND TOTAL	**22,245.58**	**2,569.73**	**19,675.85**	

Note: Dues include penalty and interest, wherever applicable.

Annexure B to the Independent Auditors' Report

(Referred to in Paragraph 2 under "Other legal and regulatory requirements "of our report of even date)

Sl. No	Directions	Action Taken	Impact on standalone financial statements
1.	Whether the company has system in the place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has a robust ERP system (SAP) to process all the accounting transactions through IT system.	Nil
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company).	The Company has been regular in discharging its principal and interest obligations on various loans during 2021-22. Therefore, there are no cases of restructuring of any loan or cases of waiver/ write off of debts/ loans/ interest etc. made by any lender due to the company's inability to repay the loan.	Nil
3.	Whether funds (grants / subsidy etc.) received/ receivable for specific schemes from central/ state Government or its agencies were properly accounted for /utilized as per its term and conditions? List the cases of deviation.	The Company has properly accounted for/utilized funds (grants / subsidy etc.) received/receivable for specific schemes from central/state Government or its agencies, as the case may be, as per its term and conditions	Nil

For G. S. MATHUR & CO.	For K. C. MEHTA & CO.	For SINGHI & CO.	For S R B & ASSOCIATES
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn. No. 008744N	Firm Regn. No. 106237W	Firm Regn. No. 302049E	Firm Regn. No. 310009E
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M. No. 091007	M. No. 101533	M. No. 063769	M. No. 053960
UDIN: 22091007AJCGDJ7522	UDIN: 22101533AJCFWW8790	UDIN: 22063769AJCGVY1618	UDIN: 22053960AJCGGK4519

Place: New Delhi
Date: 17th May 2022

Annexure C to the Independent Auditors' Report

Annexure referred to in Independent Auditors' report of even date to the members of Indian Oil Corporation Limited on the standalone financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Indian Oil Corporation Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls with reference to standalone Financial Statement and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with the generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022 based on the internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Other Matter

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to standalone financial statements in so far as it relates to one Branch audited by the Branch Auditor, is based on the corresponding report of the Branch Auditor.

For G. S. MATHUR & CO.	For K. C. MEHTA & CO.	For SINGHI & CO.	For S R B & ASSOCIATES
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn. No. 008744N	Firm Regn. No. 106237W	Firm Regn. No. 302049E	Firm Regn. No. 310009E
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M. No. 091007	M. No. 101533	M. No. 063769	M. No. 053960
UDIN: 22091007AJCGDJ7522	UDIN: 22101533AJCFWW8790	UDIN: 22063769AJCGVY1618	UDIN: 22053960AJCGGK4519

Place: New Delhi
Date: 17th May 2022

STANDALONE FINANCIAL STATEMENTS

BALANCE SHEET AS AT MARCH 31, 2022

(₹ in crore)

Particulars	Note No.	March 31, 2022	March 31, 2021
ASSETS			
Non-current Assets			
a) Property, Plant and Equipment	2	**1,44,313.53**	1,40,916.14
b) Capital Work-in-Progress	2.1	**42,764.60**	31,600.61
c) Intangible Assets	3	**2,575.31**	2,483.80
d) Intangible Assets Under Development	3.1	**1,681.47**	1,451.52
e) Financial Assets			
i) Investments	4		
Equity investment in Subsidiaries, Joint Ventures and Associates		**21,868.16**	19,191.01
Other Investments		**28,153.66**	20,561.11
ii) Loans	5	**2,263.92**	2,389.73
iii) Other Financial Assets	6	**989.47**	218.82
f) Income Tax Assets (Net)	7	**2,748.06**	2,428.85
g) Other Non-Current Assets	8	**3,659.10**	2,828.59
		2,51,017.28	**2,24,070.18**
Current Assets			
a) Inventories	9	**1,03,206.94**	78,188.01
b) Financial Assets			
i) Investments	4	**7,764.82**	8,867.29
ii) Trade Receivables	10	**18,136.57**	13,379.56
iii) Cash and Cash Equivalents	11	**709.91**	313.74
iv) Bank Balances other than above	12	**173.07**	1,354.63
v) Loans	5	**439.95**	616.51
vi) Other Financial Assets	6	**3,347.43**	3,884.76
c) Other Current Assets	8	**3,373.34**	3,186.50
		1,37,152.03	1,09,791.00
Assets Held for Sale	13	**169.79**	**192.90**
		1,37,321.82	**1,09,983.90**
TOTAL ASSETS		**3,88,339.10**	**3,34,054.08**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share Capital	14	**9,181.04**	9,181.04
b) Other Equity	15	**1,22,105.32**	1,01,319.00
		1,31,286.36	1,10,500.04

STANDALONE FINANCIAL STATEMENTS

BALANCE SHEET AS AT MARCH 31, 2022

(₹ in crore)

Particulars	Note No.	March 31, 2022	March 31, 2021
LIABILITIES			
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	16	**50,579.83**	48,965.87
ii) Lease Liabilities		**6,557.16**	6,442.08
iii) Other Financial Liabilities	17	**913.79**	847.49
b) Provisions	18	**907.81**	943.93
c) Deferred Tax Liabilities (Net)	19	**13,627.36**	12,964.73
d) Other Non-Current Liabilities	20	**3,169.00**	2,576.10
		75,754.95	72,740.20
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	21	**60,218.67**	45,447.13
ii) Lease Liabilities		**2,107.16**	1,472.41
iii) Trade Payables	22		
A. Total outstanding dues of Micro and Small Enterprises		**799.84**	547.01
B. Total outstanding dues of creditors other than Micro and Small Enterprises		**41,669.50**	33,043.68
iv) Other Financial Liabilities	17	**48,051.50**	43,638.45
b) Other Current Liabilities	20	**18,445.46**	16,485.72
c) Provisions	18	**9,394.27**	9,381.59
d) Current Tax Liabilities (Net)	7	**611.39**	797.85
		1,81,297.79	**1,50,813.84**
TOTAL EQUITY AND LIABILITIES		**3,88,339.10**	**3,34,054.08**
Significant Accounting Policies, Estimates & Judgements	1A & 1B		
Accompanying Notes to Financial Statements	2 - 49		

For and on Behalf of Board of Directors

Sd/-	Sd/-	Sd/-
(S. M. Vaidya)	**(S. K. Gupta)**	**(Kamal Kumar Gwalani)**
Chairman	Director (Finance)	Company Secretary
DIN- 06995642	DIN- 07570165	ACS-13737

As per our attached Report of even date

For G.S.MATHUR & CO.	**For K.C.MEHTA & CO.**	**For SINGHI & CO.**	**For S R B & ASSOCIATES**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 008744N)	(Firm Regn. No. 106237W)	(Firm Regn. No. 302049E)	(Firm Regn. No. 310009E)
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M.No. 091007	M.No. 101533	M. No. 063769	M. No. 053960

Place: New Delhi
Dated: 17th May 2022

STANDALONE FINANCIAL STATEMENTS

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in crore)

Particulars	Note No.	2021-2022	2020-2021
I. Revenue From Operations	23	**7,28,459.94**	5,14,890.47
II. Other Income	24	**4,324.26**	4,550.72
III. Total Income (I+II)		**7,32,784.20**	**5,19,441.19**
IV. Expenses:			
Cost of Materials Consumed	25	**2,94,501.48**	1,56,647.96
Excise Duty		**1,30,296.19**	1,36,832.86
Purchases of Stock-in-Trade		**2,21,078.10**	1,43,305.73
Changes in Inventories of Finished Goods, Stock-in-trade and Stock-In Process	26	**(12,197.02)**	(5,547.57)
Employee Benefits Expense	27	**10,991.70**	10,712.04
Finance Costs	28	**4,829.10**	3,093.92
Depreciation, Amortisation and Impairment on:			
a) Property, Plant and Equipment		**10,831.54**	9,615.75
b) Intangible Assets		**174.37**	188.55
		11,005.91	9,804.30
Impairment Loss (including reversal of impairment loss) on Financial Assets		**(136.38)**	1,195.45
Net Loss on de-recognition of Financial Assets at Amortised Cost		**172.75**	7.69
Other Expenses	29	**40,509.30**	33,673.16
Total Expenses (IV)		**7,01,051.13**	**4,89,725.54**
V. Profit / (Loss) before Tax (III-IV)		**31,733.07**	**29,715.65**
VI. Tax Expense :			
Current Tax		**6,913.00**	6,761.03
[includes **₹ 41.07 crore** (2021: ₹ 1816.38 crore) relating to prior years]			
Deferred Tax		**635.97**	1,118.58
[includes **NIL** (2021: ₹ (228.15) crore) relating to prior years]			
VII. Profit / (Loss) for the Year (V-VI)		**24,184.10**	21,836.04
VIII. Other Comprehensive Income:	30		
A (i) Items that will not be reclassified to profit or loss		**6,228.96**	4,690.93
A (ii) Income Tax relating to items that will not be reclassified to profit or loss		**128.56**	(204.76)
B (i) Items that will be reclassified to profit or loss		**(130.60)**	119.71
B (ii) Income Tax relating to items that will be reclassified to profit or loss		**32.91**	(21.99)
IX. Total Comprehensive Income for the Year (VII+VIII) (Comprising Profit/ (Loss) and Other Comprehensive Income for the Year)		**30,443.93**	26,419.93

STANDALONE FINANCIAL STATEMENTS

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in crore)

Particulars	Note No.	2021-2022	2020-2021
X. Earnings per Equity Share (₹):	32		
(1) Basic		**26.34**	23.78
(2) Diluted		**26.34**	23.78
Face Value Per Equity Share (₹)		**10**	10
Significant Accounting Policies, Estimates & Judgements	1A & 1B		
Accompanying Notes to Financial Statements	2 - 49		

For and on Behalf of Board of Directors

Sd/-	Sd/-	Sd/-
(S. M. Vaidya)	**(S. K. Gupta)**	**(Kamal Kumar Gwalani)**
Chairman	Director (Finance)	Company Secretary
DIN- 06995642	DIN- 07570165	ACS-13737

As per our attached Report of even date

For G.S.MATHUR & CO.	**For K.C.MEHTA & CO.**	**For SINGHI & CO.**	**For S R B & ASSOCIATES**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 008744N)	(Firm Regn. No. 106237W)	(Firm Regn. No. 302049E)	(Firm Regn. No. 310009E)
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M.No. 091007	M.No. 101533	M. No. 063769	M. No. 053960

Place: New Delhi
Dated: 17th May 2022

STANDALONE FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in crore)

Particulars	2021-2022	2020-2021
A Cash Flow from Operating Activities		
1 Profit / (Loss) before Tax	**31,733.07**	29,715.65
2 Adjustments for :		
Depreciation, Amortisation and Impairment on Property, Plant & Equipment and Intangible Assets	**11,005.91**	9,804.30
Loss/(Profit) on sale of Assets (net)	**(23.15)**	85.09
Loss/(Profit) on sale/ write-off of Investments (net)	**4.73**	(4.12)
Amortisation of Capital Grants	**(25.96)**	(25.29)
Provision for Probable Contingencies (net)	**(92.14)**	(227.65)
MTM Loss/(gain) arising on financial assets/liabilities as at fair value through profit and loss	**205.71**	(205.56)
Unclaimed / Unspent liabilities written back	**(127.56)**	(371.70)
Bad Debts, Advances & Claims written off	**184.21**	10.61
Provision for Doubtful Advances, Claims and Obsolescence of Stores (net)	**(170.07)**	564.98
Impairment Loss on Financial Assets (Net)	**(136.38)**	1,195.45
MTM Loss/(Gain) on Derivatives	**(68.00)**	(140.87)
Remeasurement of Defined Benefit Plans through OCI	**(769.98)**	22.42
Interest Income	**(1,868.67)**	(1,760.12)
Dividend Income	**(2,318.68)**	(1,241.03)
Finance costs	**3,816.33**	3,921.00
Amortisation and Remeasurement (Net) of PMUY Assets	**587.97**	1,056.60
	10,204.27	**12,684.11**
3 Operating Profit before Working Capital Changes (1+2)	**41,937.34**	42,399.76
4 Change in Working Capital (excluding Cash & Cash Equivalents):		
Trade Receivables & Other Assets	**(3,491.67)**	9,359.57
Inventories	**(25,044.09)**	(14,513.92)
Trade Payables & Other Liabilities	**14,997.11**	15,465.64
Change in Working Capital	**(13,538.65)**	10,311.29
5 Cash Generated From Operations (3+4)	**28,398.69**	52,711.05
6 Less : Taxes paid	**7,221.35**	3,927.07
7 Net Cash Flow from Operating Activities (5-6)	**21,177.34**	**48,783.98**
B Cash Flow from Investing Activities:		
Proceeds from sale of Property, Plant and Equipment/ Transfer of Assets	**542.63**	998.90
Purchase of Property, Plant & Equipment and Intangible Assets	**(4,076.60)**	(4,559.25)
Expenditure on Construction Work in Progress	**(17,814.07)**	(16,602.57)
Proceeds from sale of financial instruments (other than working capital)	**(4.73)**	115.28
Investment in subsidiaries	**(1,877.73)**	(1.13)
Purchase of Other Investments	**(1,710.97)**	(4,580.49)
Receipt of government grants (Capital Grant)	**703.85**	580.66
Interest Income received	**1,822.11**	1,749.88
Dividend Income on Investments	**2,318.68**	1,241.03
Net Cash Generated/ (Used) in Investing Activities:	**(20,096.83)**	**(21,057.69)**

STANDALONE FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in crore)

Particulars	2021-2022	2020-2021
C Net Cash Flow From Financing Activities:		
Proceeds from Long-Term Borrowings	**10,613.26**	10,050.40
Repayments of Long-Term Borrowings	**(587.00)**	(2,048.63)
Repayments of Lease Liabilities	**(1,761.39)**	(1,106.60)
Proceeds from/(Repayments of) Short-Term Borrowings	**6,309.80**	(22,313.22)
Interest paid	**(4,362.99)**	(4,146.87)
Dividend paid	**(10,896.02)**	(8,383.19)
Net Cash Generated/(Used) from Financing Activities:	**(684.34)**	**(27,948.11)**
D Net Change in Cash & Cash Equivalents (A+B+C)	**396.17**	**(221.82)**
E1 Cash & Cash Equivalents as at end of the year	**709.91**	**313.74**
Less:		
E2 Cash & Cash Equivalents as at the beginning of year	**313.74**	**535.56**
NET CHANGE IN CASH & CASH EQUIVALENTS (E1 - E2)	**396.17**	**(221.82)**

Notes:

1. Net Cash Flow From Financing Activities includes following non-cash changes:

Particulars	2021-2022	2020-2021
(Gain)/ Loss due to changes in exchange rate	**921.43**	(1,177.78)

2. Statement of Cash Flows is prepared using Indirect Method as per Indian Accounting Standard-7: Statement of Cash Flows.
3. Figures for previous year have been regrouped wherever necessary for uniformity in presentation.

For and on Behalf of Board of Directors

Sd/-	Sd/-	Sd/-
(S. M. Vaidya)	**(S. K. Gupta)**	**(Kamal Kumar Gwalani)**
Chairman	Director (Finance)	Company Secretary
DIN- 06995642	DIN- 07570165	ACS-13737

As per our attached Report of even date

For G.S.MATHUR & CO.	**For K.C.MEHTA & CO.**	**For SINGHI & CO.**	**For S R B & ASSOCIATES**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 008744N)	(Firm Regn. No. 106237W)	(Firm Regn. No. 302049E)	(Firm Regn. No. 310009E)
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M.No. 091007	M.No. 101533	M. No. 063769	M. No. 053960

Place: New Delhi
Dated: 17th May 2022

STANDALONE FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. Equity Share Capital

(₹ in crore)

	March 31, 2022	March 31, 2021
Balance at the beginning of the year	**9,181.04**	9,181.04
Changes during the year	**-**	-
Balance at the end of the year	**9,181.04**	**9,181.04**

B. Other Equity

(₹ in Crore)

	Reserves and Surplus				Reserves and Surplus			Items of Other Comprehensive Income			Total
	Retained Earnings	Bond Redemption Reserve	Capital Redemption Reserve		Capital Reserve	Insurance Reserve	Export Profit Reserve	Fair value of Equity Instruments	Fair value of Debt Instruments	Cash Flow Hedge Reserve	
Opening Balance as at April 1, 2020	**74,905.19**	**3,152.64**	**297.65**		**183.08**	**261.09**	**53.72**	**5,296.79**	**391.67**	**46.00**	**84,587.83**
Profit / (Loss) for the Year	21,836.04	-	-		-	-	-	-	-	-	21,836.04
Other Comprehensive Income	16.78*	-	-		-	-	-	4,469.39	80.91	16.81	4,583.89
Total Comprehensive Income	**21,852.82**	**-**	**-**		**-**	**-**	**-**	**4,469.39**	**80.91**	**16.81**	**26,419.93**
Transfer from Export Profit Reserve	53.72	-	-		-	-	(53.72)	-	-	-	-
Appropriation towards Interim Dividend	(9,640.47)	-	-		-	-	-	-	-	-	(9,640.47)
Appropriation towards Insurance Reserve (Net)	(11.05)	-	-		-	11.05	-	-	-	-	-
Transferred to Statement of Profit and Loss (recycling)	-	-	-		-	-	-	-	(2.28)	(46.01)	(48.29)
Closing Balance as at March 31, 2021	**87,160.21**	**3,152.64**	**297.65**		**183.08**	**272.14**	**-**	**9,766.18**	**470.30**	**16.80**	**1,01,319.00**

* Remeasurement of Defined Benefit Plans

STANDALONE FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(₹ in crore)

	Reserves and Surplus				Reserves and Surplus		Items of Other Comprehensive Income			Total
	Retained Earnings	Bond Redemption Reserve	Capital Redemption Reserve		Capital Reserve	Insurance Reserve	Fair value of Equity Instruments	Fair value of Debt Instruments	Cash Flow Hedge Reserve	
Opening Balance as at April 1, 2021	**87,160.21**	**3,152.64**	**297.65**		**183.08**	**272.14**	**9,766.18**	**470.30**	**16.80**	**1,01,319.00**
Profit / (Loss) for the Year	24,184.10	-	-		-	-	-	-	-	24,184.10
Other Comprehensive Income	(576.19*)	-	-		-	-	6,933.71	(125.02)	27.33	6,259.83
Total Comprehensive Income	**23,607.91**	**-**	**-**		**-**	**-**	**6,933.71**	**(125.02)**	**27.33**	**30,443.93**
Transfer from Bond Redemption Reserve	1,370.85	(1,370.85)	-		-	-	-	-	-	-
Appropriation towards Interim Dividend	(8,263.41)	-	-		-	-	-	-	-	(8,263.41)
Appropriation towards Final Dividend	(1,377.39)	-	-		-	-	-	-	-	(1,377.39)
Appropriation towards Insurance Reserve (Net)	(19.28)	-	-		-	19.28	-	-	-	-
Transferred to Statement of Profit and Loss (recycling)	-	-	-		-	-	-	-	(16.81)	(16.81)
Closing Balance as at March 31, 2022	**1,02,478.89**	**1,781.79**	**297.65**		**183.08**	**291.42**	**16,699.89**	**345.28**	**27.32**	**1,22,105.32**

* Remeasurement of Defined Benefit Plans

For and on Behalf of Board of Directors

Sd/-	Sd/-	Sd/-
(S. M. Vaidya)	**(S. K. Gupta)**	**(Kamal Kumar Gwalani)**
Chairman	Director (Finance)	Company Secretary
DIN- 06995642	DIN- 07570165	ACS-13737

As per our attached Report of even date

For G.S.MATHUR & CO.	**For K.C.MEHTA & CO.**	**For SINGHI & CO.**	**For S R B & ASSOCIATES**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 008744N)	(Firm Regn. No. 106237W)	(Firm Regn. No. 302049E)	(Firm Regn. No. 310009E)
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M.No. 091007	M.No. 101533	M. No. 063769	M. No. 053960

Place: New Delhi
Dated: 17th May 2022

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

NOTE - 1A SIGNIFICANT ACCOUNTING POLICIES

I. Corporate Information

The financial statements of "Indian Oil Corporation Limited" ("the Company" or "IOCL") are for the year ended March 31, 2022.

The Company is a public limited company incorporated and domiciled in India. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India. The registered office of the Company is located at Indian Oil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai.

Indian Oil is India's flagship Maharatna national oil company with business interests straddling the entire hydrocarbon value chain - from refining, pipeline transportation & marketing, to exploration & production of crude oil & gas, petrochemicals, gas marketing, alternative energy sources and globalisation of downstream operations.

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors passed in its meeting held on May 17, 2022.

II. Significant Accounting Policies

1. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

1.1 The financial statements have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules and other relevant provisions of the Act and Rules thereunder, as amended from time to time.

1.2 The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer serial no. 17 of accounting policies regarding financial instruments) and
- Plan assets related to employee benefits (refer serial no. 12 of accounting policies regarding employee benefits)

1.3 The financial statements are presented in Indian Rupees (₹) which is Company's presentation and functional currency and all values are rounded to the nearest crore (up to two decimals) except when otherwise indicated.

2. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

2.1 Property, Plant and Equipment (PPE)

2.1.1 Property, Plant & Equipment (PPE) comprises of tangible assets and capital work in progress. PPE are stated in the Balance Sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any), except freehold land which are carried at historical cost. The cost of an item of PPE comprises its purchase price/construction cost including applicable taxes (net of credits) after deducting any discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located. These costs are capitalized until the asset is ready for use and includes borrowing cost capitalized in accordance with the Company's accounting policy.

2.1.2 The cost of an item of PPE is recognized as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

In accordance with the above criteria, subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate.

2.1.3 Technical know-how / license fee relating to plants/ facilities and specific software that are integral part of the related hardware are capitalized as part of cost of the underlying asset.

2.1.4 Spare Parts are capitalized when they meet the definition of PPE, i.e., when the Company intends to use these for a period exceeding 12 months.

2.1.5 The acquisition of some items of PPE although not directly increasing the future economic benefits of any particular existing item of PPE, may be necessary for the Company to obtain the future economic benefits from its other assets. Such items of PPE are recognized as assets.

2.1.6 Environment responsibility related obligations directly attributable to projects is recognized as project cost on the basis of progress of project or on actual incurrence, whichever is higher.

2.1.7 On transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE recognized as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.

2.2 Capital Work in Progress (CWIP)

A. Construction Period Expenses

2.2.1. Revenue expenses exclusively attributable to projects incurred during construction period are capitalized. However, such expenses in respect of capital facilities being executed along with the production/operations simultaneously and where the expenses are not attributable exclusively are charged to revenue.

NOTES TO FINANCIAL STATEMENTS

NOTE - 1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

2.2.2 Borrowing cost incurred during construction period on loans specifically borrowed and utilized for projects is capitalized on quarterly basis up to the date of capitalization.

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

B. Capital Stores

2.2.4 Capital Stores are valued at weighted average cost. Specific provision is made for likely diminution in value, wherever required.

2.3 Intangible Assets & Amortisation

2.3.1 Technical know-how / license fee relating to production process and process design are recognized as Intangible Assets and amortised on a straight-line basis over the life of the underlying plant/ facility.

2.3.2 Expenditure incurred in research phase is charged to revenue and that in development phase, unless it is of capital nature, is also charged to revenue.

2.3.3 Cost incurred on computer software/licenses purchased/ developed resulting in future economic benefits, other than specific software that are integral part of the related hardware, are capitalized as Intangible Asset and amortised over a period of three years beginning from the month in which such software/ licenses are capitalized. However, where such computer software/ license is under development or is not yet ready for use, accumulated cost incurred on such items are accounted as "Intangible Assets Under Development".

2.3.4 Right of ways with indefinite useful lives are not amortised but tested for impairment annually at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

2.3.5 Intangible Assets acquired separately are measured on initial recognition at cost. The cost of Intangible Assets acquired in a business combination is based on its fair value at the date of acquisition. Following initial recognition, Intangible Assets are carried at cost less any accumulated amortisation and accumulated impairment losses. In case of internally generated intangibles, development cost is recognized as an asset when all the recognition criteria are met. However, all other internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the statement of profit and loss in the period in which the expenditure is incurred.

2.3.6 The useful lives of Intangible Assets are assessed as either finite or indefinite. Intangible Assets with finite lives are amortised over the useful life on straight line basis and assessed for impairment whenever there is an indication that the Intangible Asset may be impaired. The amortisation period and the amortisation method for an Intangible Asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

2.3.7 On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangible Assets recognized as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

2.3.8 Amortisation is charged pro-rata on monthly basis on assets, from/upto the month of capitalization/ sale, disposal/ or classified to Asset held for disposal.

2.4 Depreciation

2.4.1 Cost of PPE (net of residual value) excluding freehold land is depreciated on straight-line method as per the useful life prescribed in Schedule II to the Act except in case of the following assets:

a. Useful life based on technical assessment

- 15 years for Plant and Equipment relating to Retail Outlets (other than storage tanks and related equipment), LPG cylinders and pressure regulators
- 25 years for solar power plant
- Certain assets of R&D Centre (15-25 years)
- Certain assets of CGD business,(Compressor / Booster Compressor and Dispenser - 10 years, Cascade – 20 years)
- Moulds used for the manufacturing of the packaging material for Lubricants- 5 years
- In other cases, like Spare Parts etc. (2-30 years)

NOTES TO FINANCIAL STATEMENTS

NOTE - 1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

b. In case of specific agreements e.g. enabling assets etc., useful life as per agreement or Schedule II to the Act, whichever is lower and

c. In case of immovable assets constructed on leasehold land, useful life as per Schedule-II to the Act or lease period of land (including renewable/ likely renewable period), whichever is lower.

Depreciation is charged pro-rata on monthly basis on assets, from/upto the month of capitalization/ sale, disposal/ or classified to Asset held for disposal.

Residual value is determined considering past experience and generally the same is between 0 to 5% of cost of assets except

a. In case of Steel LPG cylinder and pressure regulator, residual value is considered maximum at 15% and in case of fibre composite LPG cylinder, residual value is considered at 10% based on estimated realisable value

b. in case of catalyst with noble metal content, residual value is considered based on the cost of metal content and

c. In few cases residual value is considered based on transfer value agreed in respective agreement.

The Company depreciates components of the main asset that are significant in value and have different useful lives as compared to the main asset separately. The Company depreciates spares over the life of the spare from the date it is available for use.

2.4.2 PPE, other than LPG Cylinders and Pressure Regulators, costing upto ₹ 5,000/- per item are depreciated fully in the year of capitalization. Further, spares, components like catalyst excluding noble metal content and major overhaul/ inspection are also depreciated fully over their respective useful life.

2.4.3 The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.5 Derecognition

2.5.1 PPE and Intangible Assets are derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE or Intangible Asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

3. LEASES

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

3.1 Leases as Lessee (Assets taken on lease)

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

3.1.1 **Lease Liabilities**

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, except for leases where the company has elected to use practical expedient not to separate non-lease payments from the calculation of the lease liability and ROU asset where the entire consideration is treated as lease component.

NOTES TO FINANCIAL STATEMENTS

NOTE - 1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

3.1.2 **Right-of-use Assets**

The Company recognizes right-of-use (ROU) assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of use assets are subject to impairment. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset as per 2.4 above. Perpetual Right of use (ROU) assets related to land are not depreciated but tested for Impairment loss, if any.

3.1.3 Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognized in the Statement of Profit and Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

3.1.4 **Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of Property, Plant and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value and is not intended for sublease. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

3.2 Leases as Lessor (assets given on lease)

3.2.1 When the company acts as lessor, it determines at the commencement of the lease whether it is a finance lease or an operating lease.

3.2.2 Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.

3.2.3 All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts is adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment. If an arrangement contains lease and non-lease components, the Company applies principles enunciated in Ind AS 115 "Revenue from Contracts with Customers", to allocate the consideration in the contract.

3.2.4 When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the short-term lease exemption described above, then it classifies the sub-lease as an operating lease.

4. IMPAIRMENT OF NON-FINANCIAL ASSETS (also refer para 14 for impairment of E&P Assets)

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

NOTES TO FINANCIAL STATEMENTS

NOTE - 1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of 15 years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifteenth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

5. BORROWING COSTS

Borrowing cost consists of interest and other cost incurred in connection with the borrowing of funds. Borrowing costs that are attributable to the acquisition or construction of the qualifying asset are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Capitalization of borrowing costs is suspended when active development activity on the qualifying assets is interrupted other than on temporary basis and charged to the Statement of Profit and Loss during such extended periods. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which the same are incurred.

6. FOREIGN CURRENCY TRANSACTIONS

6.1 The Company's financial statements are presented in Indian Rupee (₹), which is also it's functional currency.

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

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

6.4 Non-monetary items denominated in foreign currency, (such as PPE, intangible assets, equity investments, capital/ revenue advances other than expected to be settled in cash etc.) are recorded at the exchange rate prevailing on the date of the transaction, other than those measured at fair value.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in Other Comprehensive Income (OCI) or the Statement of Profit and Loss are also recognized in OCI or the Statement of Profit and Loss, respectively).

6.5 Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss either under the head foreign exchange fluctuation or interest cost to the extent regarded as an adjustment to borrowing costs as the case may be, except those relating to loans mentioned below.

Exchange differences on long-term foreign currency loans obtained or re-financed on or before March 31, 2016 relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets.

7. INVENTORIES

7.1 Raw Materials & Stock-in-Process

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

7.1.2 Stock in Process is valued at raw materials cost plus processing cost as applicable or net realisable value, whichever is lower.

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

7.1.4 Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognized in OCI, in respect of the purchases of raw materials.

7.2 Finished Products and Stock-in-Trade

7.2.1 Finished Products and Stock in Trade, other than lubricants, are valued at cost determined on 'First in First Out' basis or net realisable value, whichever is lower. Cost of Finished Products internally produced is determined based on raw materials cost and processing cost.

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

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

7.3 Stores and Spares

7.3.1 Stores and Spares (including Chemicals, packing Containers i.e. empty barrels, tins etc.) are valued at weighted average cost. Specific provision is made in respect of identified obsolete stores & spares and chemicals for likely diminution in value. Further, a provision @ 5% of cost is also made on the balance stores and spares (excluding barrels, tins, stores in transit, chemicals/catalysts, crude oil, and own products) towards likely diminution in the value.

7.3.2 Stores and Spares in transit are valued at cost.

8. PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS

8.1 Provisions

8.1.1 Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

8.1.2 When the Company expects some or all of a provision to be recovered from a third party, a receivable is recognized as a separate asset but only when it is virtually certain and amount of the receivable can be measured reliably. The expense relating to a provision is presented in the Statement of Profit and Loss net of reimbursement, if any.

8.1.3 If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

8.1.4 **Decommissioning Liability**

Decommissioning costs are provided at the present value of expected cost to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the Statement of Profit and Loss as a finance cost. The estimated future cost of decommissioning is reviewed annually and adjusted as appropriate. Changes in the estimated future cost or in the discount rate applied are adjusted in the cost of the asset.

8.2 Contingent Liabilities and Contingent Assets

8.2.1 Show-cause notices issued by various Government Authorities are generally not considered as obligations.

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

8.2.3 The treatment in respect of disputed obligations are as under:

a) a provision is recognized in respect of present obligations where the outflow of resources is probable as per 8.1.1 above;

b) all other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.

8.2.4 Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability. Contingent liabilities are disclosed on the basis of judgment of the management/ independent experts and reviewed at each Balance Sheet date to reflect the current management estimate.

8.2.5 Estimated amount of contracts remaining to be executed towards capital expenditure are considered for disclosure.

8.2.6 A contingent asset is disclosed where an inflow of economic benefits is probable.

9. REVENUE

9.1 REVENUE FROM CONTRACTS WITH CUSTOMERS

9.1.1 The Company is in the business of oil and gas operations and it earns revenue primarily from sale of petroleum products and petrochemical products. In addition, the company also earns revenue from other businesses which comprises Gas, Exploration & Production and Others.

Revenue is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or

NOTES TO FINANCIAL STATEMENTS

NOTE - 1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Company has generally concluded that it is the principal in its revenue arrangements, except a few agency services, because it typically controls the goods or services before transferring them to the customer.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., customer loyalty points). In determining the transaction price for the sale of products, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration and consideration payable to the customer (if any).

9.1.2 Revenue from the sale of petroleum products, petrochemical products, Crude and gas are recognized at a point in time, generally upon delivery of the products. The Company recognizes revenue over time using input method (on the basis of time elapsed) in case of non-refundable deposits from dealers and service contracts. In case of construction contracts, revenue and cost are recognized by measuring the contract progress using input method by comparing the cost incurred and total contract cost. Contract modifications are accounted for as a part of existing contract or separate contract based on conditions prescribed in Ind AS 115.

9.1.3 The Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, Sales Tax/ Goods and Services Tax (GST) and Value Added Tax (VAT) is not received by the company on its own account. Rather, it is tax collected on value added to the product by the seller on behalf of the government. Accordingly, it is excluded from revenue.

9.1.4 **Variable consideration**

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved

The Company provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. The volume rebates/ cash discount give rise to variable consideration. To estimate the variable consideration for the expected future rebates/ cash discount, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract and accordingly, the Company recognizes a refund liability for the expected future rebates.

9.1.5 **Loyalty Points**

The Company operates various loyalty point schemes. The transaction price allocated to customer loyalty points is based on their relative estimated standalone selling price and the same is reduced from revenue from sale of goods. While estimating standalone selling price of customer loyalty points, the likelihood of exercising the option is adjusted. Wherever the Company is acting as an agent in this arrangement, the Company recognize the revenue on net basis.

9.2 Other claims are recognized when there is a reasonable certainty of recovery.

10. EXCISE DUTY

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

11. TAXES ON INCOME

11.1 Current Income Tax

Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

NOTES TO FINANCIAL STATEMENTS

NOTE - 1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

11.2 Deferred Tax

11.2.1 Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences, and unused tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss.

Deferred tax assets and liabilities are measured based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

11.2.2 The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in future to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

11.2.3 Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

11.2.4 Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

12. EMPLOYEE BENEFITS

12.1 Short Term Benefits:

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

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

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

b) The Company operates defined benefit plans for Gratuity, Post-Retirement Medical Benefits, Resettlement, Felicitation Scheme and Ex-gratia. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year. Out of these plans, Gratuity and Post-Retirement Medical Benefits are administered through respective Trusts.

c) Obligations on other long term employee benefits viz leave encashment and Long Service Awards are provided using the projected unit credit method of actuarial valuation made at the end of the year. Out of these obligations, leave encashment obligations are funded through qualifying insurance policies made with insurance companies.

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

12.3 Termination Benefits:

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

12.4 Remeasurements:

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which it occurs. Remeasurements are not reclassified to profit or loss in subsequent periods. Remeasurements in respect of other long-term benefits are recognized in the Statement of Profit and Loss.

Past service cost is recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring cost

NOTES TO FINANCIAL STATEMENTS

NOTE - 1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service cost comprising current service cost, past-service cost, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

13. GRANTS

13.1 Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

13.2 Grant relating to Assets (Capital Grants)

In case of grants relating to depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as Deferred income which are recognized as "Other Operating Revenues" usually in the Statement of Profit and Loss over the period and in the proportion in which depreciation is charged.

13.3 Grant related to Income (Revenue Grants)

Revenue grants are recognized in the Statement of Profit and Loss on a systematic basis over the periods in which the entity recognizes as expenses the related cost for which the grants are intended to compensate.

Subsidy and budgetary support towards under recoveries are recognized in "Revenue from Operations" as per schemes notified by Government from time to time, subject to final adjustments, wherever applicable.

The Company has treated waiver of duty under EPCG Scheme as revenue grant as the condition of meeting the export obligations is a primary condition of availing the grant as per the EPCG Scheme. The above grant is set up by recording the assets at gross value and corresponding grant amount as deferred income. Such grant is recognized in "Other Operating Revenues" in proportion of export obligations actually fulfilled during the accounting period. In case of post export EPCG Duty Credit Scrip Scheme, revenue grant is recognized in "Other Operating Revenues" equivalent to the amount of Custom duty remission in proportion to export obligations actually fulfilled during the accounting period.

Revenue grants are generally recorded under "Other Operating Revenues", except north east excise duty exemption which is netted off with the related expense.

13.4 When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate or NIL interest rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities. Classification of the grant is made considering the terms and condition of the grant i.e. whether grants relates to assets or otherwise.

14. OIL & GAS EXPLORATION ACTIVITIES

14.1 Pre-acquisition Cost:

Expenditure incurred before obtaining the right(s) to explore, develop and produce oil and gas are expensed as and when incurred.

14.2 Exploration Stage:

Acquisition cost relating to projects under exploration are initially accounted as "Intangible Assets under Development". The expenses on oil and gas assets that is classified as intangible include:

- acquired rights to explore
- exploratory drilling cost

Cost of Survey and prospecting activities conducted in the search of oil and gas are expensed as exploration cost in the year in which these are incurred

If the project is not viable based upon technical feasibility and commercial viability study, then all cost relating to Exploratory Wells are expensed in the year when determined to be dry.

If the project is proved to be viable, then all cost relating to drilling of Exploratory Wells shall be continued to be presented as "Intangible Assets under Development".

14.3 Development Stage:

Acquisition cost relating to projects under development stage are presented as "Capital Work-in-Progress".

When a well is ready to commence commercial production, the capitalized cost corresponding to proved developed oil and gas reserves is reclassified as 'Completed wells/ Producing wells' from "Capital Work-in-Progress/ Intangible Assets under Development" to the gross block of assets. Examples of Oil and Gas assets that might be classified as Tangible Assets include development drilling cost, piping and pumps and producing wells.

14.4 Production Phase

Production cost include pre-well head and post-well head expenses including depreciation and applicable operating cost of support equipment and facilities are expensed off.

NOTES TO FINANCIAL STATEMENTS

NOTE - 1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Depletion is calculated using the Unit of Production method based upon proved and developed reserves.

14.5 Abandonment Phase

In case of development / production phase, abandonment / decommissioning amount is recognized at the present value of the estimated future expenditure. Any change in the present value of the estimated decommissioning expenditure other than the unwinding of discount is adjusted to the decommissioning provision and the carrying value of the corresponding asset. The unwinding of discount on provision is charged in the Statement of Profit and Loss as finance costs.

14.6 Impairment of E&P Assets

14.6.1 **Impairment testing in case of Development and producing assets**

In case of E&P related development and producing assets, expected future cash flows are estimated using management's best estimate of future oil and natural gas prices, production volumes, proved & probable reserves volumes and discount rate. The expected future cash flows are estimated on the basis of value in use concept. The value in use is based on the cash flows expected to be generated by the projected oil or gas production profiles up to the expected dates of cessation of production of each producing field, based on current estimates of proved and probable reserves and on reasonable & supportable fiscal assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Management takes a long-term view of the range of economic conditions over the remaining useful life of the asset and, are not based on the relatively short-term changes in the economic conditions. However, impairment of exploration and evaluation assets is to be done in line with para 14.6.2

14.6.2 **Impairment in case of Exploration and Evaluation assets**

Exploration and Evaluation assets are tested for impairment where an indicator for impairment exists. In such cases, while calculating recoverable amount, in addition to the factors mentioned in 14.6.1, management's best estimate of total current reserves and resources are considered (including possible and contingent reserve) after appropriately adjusting the associated inherent risks. Impairment loss is reversed subsequently, to the extent that conditions for impairment are no longer present.

14.6.3 **Cash generating unit**

In case of E&P Assets, the Company generally considers a project as cash generating unit. However, in case where the multiple fields are using common production/transportation facilities and are sufficiently economically interdependent the same are considered to constitute a single cash generating unit (CGU).

15. CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification as below.

15.1 An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

15.2 A liability is treated as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

16. NON-CURRENT ASSETS HELD FOR SALE

16.1 The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

16.2 For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that

NOTES TO FINANCIAL STATEMENTS

NOTE - 1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

are usual and customary for sales (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

16.3 Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost to sell. Assets and liabilities classified as held for sale are presented separately in the Balance Sheet.

PPE and Intangible Assets once classified as held for sale are not depreciated or amortised.

17. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

17.1 Financial Assets

Initial recognition and measurement

All Financial Assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the Financial Asset. Transaction costs directly attributable to the acquisition of financial assets measured at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

Subsequent measurement

For the purpose of subsequent measurement, Financial Assets are classified in four categories:

- Financial Assets at amortised cost
- Debt Instruments at fair value through Other Comprehensive Income (FVTOCI)
- Equity Instruments at fair value through Other Comprehensive Income (FVTOCI)
- Financial Assets and derivatives at fair value through profit or loss (FVTPL)

17.1.1 **Financial Assets at Amortised Cost**

A Financial Asset is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows,and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. Apart from the same, any income or expense arising from remeasurement of financial assets measured at amortised cost, in accordance with Ind AS 109, is recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

17.1.2 **Debt Instrument at FVTOCI**

A 'Debt Instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI).

Debt Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair Value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the Equity to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI Debt Instrument is reported as interest income using the EIR method.

NOTES TO FINANCIAL STATEMENTS

NOTE - 1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

17.1.3 **Equity Instrument**

A. Equity Investments at FVTOCI (Other than Subsidiaries, Joint Ventures and Associates)

All equity investments in scope of Ind AS 109 are measured at fair value. The Company has made an irrevocable election to present subsequent changes in the fair value in Other Comprehensive Income. The classification is made on initial recognition/ transition and is irrevocable.

There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investments.

B. Equity Investments in Subsidiaries, Joint Ventures and Associates

Investments in Subsidiaries, Joint Ventures and Associates are accounted for at cost in the financial statements and the same are tested for impairment in case of any indication of impairment.

C. Dividend income is recognized in the Statement of Profit and Loss when the Company's right to receive dividend is established.

17.1.4 **Debt Instruments and Derivatives at FVTPL**

FVTPL is a residual category for Debt Instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as at FVTPL.

This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Debt Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Interest income on such instruments has been presented under interest income.

17.1.5 **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

17.1.6 **Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial Assets that are Debt Instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial guarantee contracts which are not subsequently measured as at FVTPL

c) Lease Receivables under Ind AS 116

Simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over

NOTES TO FINANCIAL STATEMENTS

NOTE - 1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates provision on trade receivables at the reporting date.

General Approach

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense /income/ in the Statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

- Financial Assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Financial Guarantee contracts: ECL is presented as a provision in the Balance Sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

17.2 Financial Liabilities

17.2.1 **Initial recognition and measurement.**

Financial Liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost, as appropriate.

All Financial Liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortised cost, they are measured net of directly attributable transaction cost. In case of Financial Liabilities measured at fair value through profit or loss, transaction costs directly attributable to the acquisition of financial liabilities are recognized immediately in the Statement of Profit and Loss.

The Company's Financial Liabilities include trade and other payables, loans and borrowings including financial guarantee contracts and derivative financial instruments.

17.2.2 **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

A. Financial Liabilities at fair value through profit or loss

Financial Liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through the Statement of Profit and Loss. Financial Liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

B. Financial Liabilities at amortised cost

Financial Liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

C. Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make the payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction cost that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognized less cumulative income recognized in accordance with principles of Ind AS 115.

17.2.3 **Derecognition**

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

17.3 Embedded Derivatives

If the hybrid contract contains a host that is a Financial Asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

17.4 Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

17.5 Derivative Instrument- Initial recognition / subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value of derivatives depends on the designation or non- designation of derivative as hedging instruments. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

17.5.1 **Derivative that are designated as Hedge Instrument**

The Company undertakes foreign exchange forward contracts, commodity forward contracts and interest rates swap contracts for hedging foreign currency risks, commodity price risks and interest rate risks respectively. The Company generally designates the whole forward contract as hedging instrument. These hedges are accounted for as cash flow hedges. These hedging instruments are as per the policies approved by the Board of Directors.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that the hedge is actually have been highly effective throughout the financial reporting periods for which it was designated.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in Other Comprehensive Income and accumulated under the heading Cash Flow Hedge Reserve within Equity. The gain or loss relating to the ineffective potion is recognized immediately in the Statement of Profit and Loss and included in the Other Income or Other Expenses as Gain on Derivatives or Loss on Derivatives respectively.

Amounts previously recognized in OCI and accumulated in equity relating to effective portion are reclassified to Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line item as the recognized hedged item

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or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting.

17.5.2 Derivatives that are not designated as hedge instrument

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through the Statement of Profit and Loss and are included in the Other Income or Other Expenses as Gain on Derivatives or Loss on Derivatives respectively.

17.6 Commodity Contracts

Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

18. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank overdraft (negative balance in Account) is shown under short term borrowings under Financial Liabilities & Positive balance in that account is shown in Cash & Cash Equivalents.

19. TREASURY SHARES

Pursuant to the Scheme of Amalgamation, IOC Shares Trust has been set up by IOCL for holding treasury shares in relation to IBP and BRPL mergers. The shares held by IOC Shares Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

20. FAIR VALUE MEASUREMENT

20.1 The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

20.2 The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or In the absence of a principal market, in the most advantageous market for the asset or liability The principal or the most advantageous market must be accessible by the Company.

20.3 The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

20.4 A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

20.5 The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

20.6 All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation

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(based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In case of Level 3 valuations, external valuers are also involved in some cases for valuation of assets and liabilities, such as unquoted financial assets, loans to related parties etc.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

21. EARNINGS PER SHARE

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. The Company did not have any potentially dilutive securities in the years presented.

III. New Standards/ amendments and other changes effective April 1,2021 or thereafter

Ministry of Corporate Affairs notified amendments to the existing standards vide notification G.S.R. 419(E) dated 18th July 2021. The effect of those amendments is not material.

IV. Standards issued but not yet effective

Ministry of Corporate Affairs notifies new standard or amendments to the existing standards. During the year, vide Notification G.S.R. 255(E) dated 23th March 2022, minor modifications in existing standards has been notified which will be applicable from April 1, 2022.

NOTES TO FINANCIAL STATEMENTS

NOTE - 1B: SIGNIFICANT ACCOUNTING ESTIMATES & JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and Intangible Assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

A. JUDGEMENTS

In the process of applying the company's accounting policies, management has made the following judgements, which have the significant effect on the amounts recognised in the financial statements:

Materiality

Ind AS requires assessment of materiality by the Company for accounting and disclosure of various transactions in the financial statements. Accordingly, the Company assesses materiality limits for various items for accounting and disclosures and follows on a consistent basis. Overall materiality is also assessed based on various financial parameters such as Gross Block of assets, Net Block of Assets, Total Assets, Revenue and Profit Before Tax. The materiality limits are reviewed and approved by the Board.

Intangible Asset under Development

Acquisition costs and drilling of exploratory well costs are capitalized as intangible asset under development and are reviewed at each reporting date to confirm that exploration drilling is still under way or work has been determined / under way to determine that the discovery is economically viable based on a range of technical & commercial considerations and for establishing development plans and timing, sufficient / reasonable progress is being made. If no future activity is planned on reasonable grounds / timeframes, Intangible asset under development and property acquisition costs is written off. Upon start of production from field and recognition of proved reserves, cost carried as intangible asset under development is transferred to producing properties. Also refer Note-34 for related disclosures.

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

B. ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans/ Other Long term employee benefits

The cost of the defined benefit plans and other long term employee benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. The management considers the interest rates of government securities based on expected settlement period of various plans.

Further details about various employee benefit obligations are given in Note 35.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Also refer note 39 for further disclosures of estimates and assumptions.

NOTES TO FINANCIAL STATEMENTS

NOTE - 1B: SIGNIFICANT ACCOUNTING ESTIMATES & JUDGEMENTS (Contd...)

Impairment of Financial Assets

The impairment provisions for trade receivables are made considering simplified approach based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the company's past history and other factors at the end of each reporting period. In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. Also refer Note-40 for impairment analysis and provision.

Income Taxes

The Company uses estimates and judgements based on the relevant facts, circumstances, present and past experience, rulings, and new pronouncements while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

NOTES TO FINANCIAL STATEMENTS

NOTE - 2 "PROPERTY, PLANT AND EQUIPMENT"

Current Year

(₹ in crore)

		Land - Freehold (Refer A&E)	Buildings, Roads etc. (Refer B&E)	Plant and Equipment	Office Equipments	Transport Equipment	Furniture & Fixtures	Railway Sidings	Drainage, Sewage and Water Supply System	Producing Properties	Right of Use Assets (ROU) (Refer E)	Total
GROSS BLOCK	**Gross Block as at April 01, 2021**	**3,658.56**	**16,854.21**	**1,46,196.24**	**2,139.52**	**91.83**	**783.56**	**199.02**	**1,263.81**	**201.19**	**11,768.91**	**1,83,156.85**
	Additions during the year	61.56	214.78	3,535.89	193.02	5.75	30.35	1.24	11.84	-	2,387.82	6,442.25
	Transfers from construction work-in-progress	7.10	2,258.00	5,753.08	178.40	3.29	84.88	7.40	0.14	1.15	-	8,293.44
	Disposals/ Deductions/ Transfers/ Reclassifications	(7.63)	183.56	(271.78)	(92.35)	(1.15)	(14.12)	(4.43)	(0.26)	-	(1,368.84)	(1,577.00)
	Gross Block as at March 31, 2022	**3,719.59**	**19,510.55**	**1,55,213.43**	**2,418.59**	**99.72**	**884.67**	**203.23**	**1,275.53**	**202.34**	**12,787.89**	**1,96,315.54**
DEPRECIATION & AMORTISATION	**Depreciation & Amortisation as at April 01, 2021**	**-**	**3,809.43**	**34,042.86**	**1,185.84**	**38.43**	**381.25**	**63.60**	**255.35**	**44.05**	**2,419.90**	**42,240.71**
	Depreciation & Amortisation during the year (Refer C)	-	981.41	7,619.66	351.67	6.99	75.93	13.62	49.78	17.00	1,652.02	10,768.08
	Disposals/ Deductions/ Transfers/ Reclassifications	-	(28.48)	(356.67)	(81.76)	(0.42)	(10.68)	(2.17)	-	-	(609.15)	(1,089.33)
	Depreciation & Amortisation as at March 31, 2022	**-**	**4,762.36**	**41,305.85**	**1,455.75**	**45.00**	**446.50**	**75.05**	**305.13**	**61.05**	**3,462.77**	**51,919.46**
IMPAIRMENT (Refer H)	Impairment Loss as at April 01, 2021	-	-	-	-	-	-	-	-	-	-	-
	Impairment Loss during the year	-	-	82.55	-	-	-	-	-	-	-	82.55
	Impairment Loss as at March 31, 2022	-	-	82.55	-	-	-	-	-	-	-	82.55
	Net Block as at March 31, 2022	**3,719.59**	**14,748.19**	**1,13,825.03**	**962.84**	**54.72**	**438.17**	**128.18**	**970.40**	**141.29**	**9,325.12**	**1,44,313.53**

Previous Year

(₹ in crore)

		Land - Freehold	Buildings, Roads etc.	Plant And Equipment	Office Equipments	Transport Equipment	Furniture & Fixtures	Railway Sidings	Drainage, Sewage and Water Supply System	Producing Properties	Right of Use Assets (ROU)	Total
GROSS BLOCK	**Gross Block as at April 01, 2020**	**3,517.66**	**15,019.28**	**1,31,496.40**	**1,829.71**	**78.86**	**703.53**	**183.65**	**1,276.57**	**199.98**	**10,700.15**	**1,65,005.79**
	Additions during the year	206.82	135.60	3,085.62	241.07	10.34	30.61	14.60	-	-	1,547.33	5,271.99
	Transfers from construction work-in-progress	4.37	1,838.71	12,485.31	171.41	2.67	62.51	1.33	-	1.21	-	14,567.52
	Disposals/ Deductions/ Transfers/ Reclassifications	(70.29)	(139.38)	(871.09)	(102.67)	(0.04)	(13.09)	(0.56)	(12.76)	-	(478.57)	(1,688.45)
	Gross Block as at March 31, 2021	**3,658.56**	**16,854.21**	**1,46,196.24**	**2,139.52**	**91.83**	**783.56**	**199.02**	**1,263.81**	**201.19**	**11,768.91**	**1,83,156.85**
DEPRECIATION & AMORTISATION	**Depreciation & Amortisation as at April 01, 2020**	**-**	**3,028.10**	**27,069.56**	**938.88**	**30.81**	**314.46**	**48.91**	**205.90**	**26.68**	**1,589.73**	**33,253.03**
	Depreciation & Amortisation during the year (Refer C)	-	795.73	7,154.85	327.54	7.71	73.87	14.71	49.45	17.37	1,200.38	9,641.61
	Disposals/ Deductions/ Transfers/ Reclassifications	-	(14.40)	(181.55)	(80.58)	(0.09)	(7.08)	(0.02)	-	-	(370.21)	(653.93)
	Depreciation & Amortisation as at March 31, 2021	**-**	**3,809.43**	**34,042.86**	**1,185.84**	**38.43**	**381.25**	**63.60**	**255.35**	**44.05**	**2,419.90**	**42,240.71**
	Net Block as at March 31, 2021	**3,658.56**	**13,044.78**	**1,12,153.38**	**953.68**	**53.40**	**402.31**	**135.42**	**1,008.46**	**157.14**	**9,349.01**	**1,40,916.14**

NOTES TO FINANCIAL STATEMENTS

NOTE - 2 "PROPERTY, PLANT AND EQUIPMENT" (Contd...)

A. i) Freehold Land includes **₹ 1.61 crore** (2021: ₹ 1.61 crore) lying vacant due to title disputes/ litigation.

ii) Out of the Freehold land measuring 1364.01 acres at Mathura and Agra regions, land measuring 50 acres (approx) has been acquired by NHAI as a part of the NH2 widening project for which the determination of value of compensation is pending. Accordingly, the value of land amounting to ₹ 1.18 crore is continued to be included in Freehold land.

iii) Freehold Land includes **₹ 41.75 crore** of compensation paid in respect of land at Panipat Refinery as per District and High court orders of earlier dates, which was later quashed by subsequent High Court order dated 18.12.2019. Since, the process of recovery, for compensation already paid, has been stayed by Honble Supreme Court vide order dated 21.09.2020, necessary adjustment shall be made in the cost of the land upon actual recovery, if any.

B. i) Buildings include **₹ 0.01 crore** (2021: ₹ 0.01 crore) towards value of 1605 (2021: 1605) Shares in Co-operative Housing Societies towards membership of such societies for purchase of flats.

ii) Includes Roads, Bridges etc. (i.e. Assets other than Building) of Gross block amounting to **₹ 5122.57 crore** (2021: ₹ 4219.39 crore) and net block amounting to **₹ 2834.91 crore** (2021: ₹ 2390.91 crore).

C. Depreciation and amortisation for the year includes **₹ 19.09 crore** (2021: ₹ 25.86 crore) relating to construction period expenses shown in Note-2.2

D. Railways have claimed transfer of ownership in respect of certain assets provided by the Company at railway premises which has not been accepted by the Company and continue to be part of Property, Plant & Equipment of the Company, WDV of such asset is **₹ 47.97 crore** (2021: ₹ 49.28 crore). This includes WDV of assets worth **₹ 17.59 crore** (2021: ₹ 17.91 crore) which are being used by other oil companies based on award of tender by Railways. However, considering the right on the assets company, these assets are continued to be reflected as Property, Plant & Equipment.

E. Land and Buildings (Including ROU Asset) include **₹ 733.5 crore** (2021: ₹ 1282.78 crore) in respect of which Title/ Lease Deeds are pending for execution or renewal.

F. For details regarding hypothecation/ pledge of assets, refer Note-16. For details regarding ROU Assets, refer Note-36.

G. In accordance with the requirements prescribed under Schedule II to Companies Act, 2013, the Company has adopted useful lives as prescribed in that schedule except in some cases as per point no. 2.4.1 of significant accounting policies (Note-1).

H. During the year, Company has provided an impairment loss in the statement of Profit and Loss under the Head 'Depreciation, Amortisation and Impairment on Tangible Assets' on windmills in Rajasthan of **₹ 82.55 crore** (2021: NIL) considering uncertainty over availment of eligible Renewable Energy Certificates (REC) and retaining tariff of ₹ 3.14/Kwh as per RRECL order dated 05.03.2019.

I. Hitherto, the depreciation was being charged pro-rata on quarterly basis on assets from/ upto the quarter of capitalisation/ disposal. As an improvement in present practice, the company has adopted a shorter time period of monthly grouping for pro-rata depreciation effective from April 01, 2021. The impact on account of above change is reduction in depreciation by **₹ 146.78 crore** in FY 2021-22. However, the overall impact over the useful life of asset will be nil.

Details of assets given on operating lease included in the above:

(₹ in crore)

Asset Particulars	Gross Block	Accumulated Depreciation & Amortisation	Accumulated Impairment Loss	W.D.V. as at 31/03/22	W.D.V. as at 31/03/21
Land - Freehold	13.93	-	-	**13.93**	10.91
ROU Asset (Land - Leasehold)	78.80	7.61	-	**71.19**	64.42
Buildings	159.29	24.18	-	**135.11**	143.67
Plant and Equipment	283.95	30.26	-	**253.69**	267.94
Office Equipment	12.80	4.79	-	**8.01**	8.86
Furniture	1.46	0.37	-	**1.09**	1.12
Drainage,Sewage & Water Supply	-	-	-	**-**	1.55

NOTES TO FINANCIAL STATEMENTS

NOTE - 2 "PROPERTY, PLANT AND EQUIPMENT" (Contd...)

Details of Company's share of Jointly Owned Assets included in the above:

(₹ in crore)

Asset Particulars	Name of Joint Owner*	Gross Block	Accumulated Depreciation & Amortisation	Accumulated Impairment Loss	W.D.V. as at 31/03/22	W.D.V. as at 31/03/21
Land - Freehold	HPCL, BPCL	1.59	-	-	**1.59**	1.59
ROU Asset (Land - Leasehold)	BPCL	0.05	-	-	**0.05**	0.06
Buildings	HPCL, BPCL, Others	51.45	16.55	-	**34.90**	36.53
Plant and Equipment	HPCL, BPCL, RIL, Others	64.88	22.82	-	**42.06**	45.10
Office Equipments	BPCL	0.51	0.30	-	**0.21**	0.31
Railway Sidings	HPCL, BPCL	17.76	7.16	-	**10.60**	9.51
Drainage,Sewage & Water Supply	HPCL, BPCL, GSFC	0.45	0.09	-	**0.36**	0.37
Total		**136.69**	**46.92**	**-**	**89.77**	**93.47**

* **HPCL:** Hindustan Petroleum Corporation Ltd., **BPCL:** Bharat Petroleum Corporation Ltd., **GSFC:** Gujarat State Fertilizers & Chemicals Ltd., **RIL:** Reliance Industries Limited

Additions to Gross Block Includes:

(₹ in crore)

Asset Particulars	Exchange Fluctuation		Borrowing Cost	
	31/03/22	31/03/21	31/03/22	31/03/21
Buildings	**5.07**	(5.30)	**23.65**	3.11
Plant and Equipment	**247.11**	(252.84)	**67.60**	187.90
Office Equipments	**0.06**	(0.04)	**0.04**	-
Furniture & Fixtures	**-**	-	**0.05**	-
Drainage, Sewage & Water Supply	**11.84**	(12.64)	**0.33**	-
Total	**264.08**	**(270.82)**	**91.67**	**191.01**

Carrying Value of temporarily idle assets/ assets retired from active use and not classified as held for sale/ immovable assets constructed on short-term leases included in the above:

(₹ in crore)

Asset Particulars	Temporarily Idle		Retired from Active Use and not classified as Held for Sale		Immovable Assets constructed on short-term leases *	
	31/03/22	31/03/21	31/03/22	31/03/21	31/03/22	31/03/21
Land - Freehold	**0.47**	-	**0.46**	0.01	**-**	-
Buildings	**11.08**	4.22	**3.35**	0.05	**342.07**	298.62
Plant and Equipment	**213.42**	213.48	**75.28**	30.65	**0.27**	0.27
Office Equipments	**0.89**	0.03	**0.01**	0.01	**-**	-
Furniture & Fixtures	**0.28**	0.29	**0.01**	-	**-**	-
Railway Sidings	**-**	-	**0.76**	-	**-**	-
Total	**226.14**	**218.02**	**79.87**	**30.72**	**342.34**	**298.89**

* Includes leases for which agreement are yet to be entered or due for renewal.

NOTES TO FINANCIAL STATEMENTS

NOTE - 2.1: CAPITAL WORK IN PROGRESS

Current Year

(₹ in crore)

Particulars	Construction Work in Progress - Tangible Assets	Capital Stores	Capital Goods in Transit	Construction Period Expenses pending allocation	Total
	Refer A	Refer B			
Balance as at beginning of the year	**24,652.63**	**4,371.71**	**717.56**	**2,062.70**	**31,804.60**
Additions during the year	15,999.01	3,269.33	572.59	-	19,840.93
Net expenditure during the year (Note - 2.2)	-	-	-	1,514.00	1,514.00
Transfer to Property, Plant and Equipment (Note 2)	(8,293.44)	-	-	-	(8,293.44)
Transfer to Property, Plant and Equipment - Direct Addition (Note 2)	-	-	(10.41)	-	(10.41)
Transfer to Statement of Profit and Loss	(5.57)	-	-	-	(5.57)
Other Allocation/ Adjustment during the year	1,309.89	(2,198.07)	(734.13)	(283.00)	(1,905.31)
	33,662.52	**5,442.97**	**545.61**	**3,293.70**	**42,944.80**
Provision for Capital Losses	(163.81)	(16.39)	-	-	(180.20)
Closing Balance	**33,498.71**	**5,426.58**	**545.61**	**3,293.70**	**42,764.60**

Previous Year

(₹ in crore)

Particulars	Construction Work in Progress - Tangible Assets	Capital Stores	Capital Goods in Transit	Construction Period Expenses pending allocation	Total
	Refer A	Refer B			
Balance as at beginning of the year	**20,616.59**	**5,617.36**	**611.95**	**1,324.84**	**28,170.74**
Additions during the year	16,389.51	2,905.46	825.66	-	20,120.63
Net expenditure during the year (Note - 2.2)	-	-	-	1,345.89	1,345.89
Transfer to Property, Plant and Equipment (Note 2)	(14,567.52)	-	-	-	(14,567.52)
Transfer to Property, Plant and Equipment - Direct Addition (Note 2)	-	-	(26.73)	-	(26.73)
Transfer to Statement of Profit and Loss	(1.56)	(0.26)	-	-	(1.82)
Other Allocation/ Adjustment during the year	2,215.61	(4,150.85)	(693.32)	(608.03)	(3,236.59)
	24,652.63	**4,371.71**	**717.56**	**2,062.70**	**31,804.60**
Provision for Capital Losses	(183.42)	(20.57)	-	-	(203.99)
Closing Balance	**24,469.21**	**4,351.14**	**717.56**	**2,062.70**	**31,600.61**

A. Includes ₹ **329.65** crore (2021: ₹ 271.88 crore) towards Capital Expenditure relating to ongoing Oil & Gas Exploration & Production activities

B. Includes ₹ **392.84** crore (2021: ₹ 689 crore) towards Stock lying with Contractors

NOTES TO FINANCIAL STATEMENTS

NOTE - 2.1: CAPITAL WORK IN PROGRESS (Contd...)

Ageing of Capital Work in Progress

(₹ in crore)

Particulars	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Current Year					
i) Projects in Progress	19,057.89	14,269.00	6,559.10	2,881.43	42,767.42
ii) Projects temporarily suspended	1.78	16.97	7.48	151.15	177.38
Total	**19,059.67**	**14,285.97**	**6,566.58**	**3,032.58**	**42,944.80**
Previous Year					
i) Projects in Progress	18,642.32	8,078.62	2,855.81	2,041.01	31,617.76
ii) Projects temporarily suspended	23.06	7.86	72.95	82.97	186.84
Total	**18,665.38**	**8,086.48**	**2,928.76**	**2,123.98**	**31,804.60**

Completion Schedule of Capital Work in Progress for Projects where Completion is Overdue or Cost has Exceeded its Original Plan

Current Year

(₹ in crore)

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
i) Projects in Progress				
- Fuel Quality Upgradation Project	3,404.73	-	-	-
- Indjet Unit at Barauni Refinery	128.32	-	-	-
- Infrastructure development to facilitate import of Grid power	420.22	-	-	-
- 2G Ethanol Plant at Panipat Refinery	548.44	-	-	-
- Ethanol production from PSA Off gas at Panipat Refinery	539.29	-	-	-
- Catalyst Manufacturing Unit at Panipat Refinery	162.87	-	-	-
- NCU Expansion at Panipat Refinery	878.11	-	-	-
- PX/PTA Expansion at Panipat Refinery	383.95	-	-	-
- Infrastructure at Dumad for (Koyali Ahmednagar Solapur Pipeline) KASPL	292.54	-	-	-
- Additional Tankages Project at Paradip Refinery	201.34	-	-	-
- MEG Project at Paradip Refinery	3,666.69	-	-	-
- CBR-Trichy Product Pipeline	108.26	-	-	-
- Paradip - Hyderabad Pipeline	2,783.26	-	-	-
- Augmentation of PHDPL and its extension upto Patna and Muzaffarpur	1,488.56	-	-	-
- Koyali - Ahmednagar-Sholapur Pipeline	1,542.71	-	-	-
- Ennore-Thiruvallur-Bengaluru-Puducherry-Nagapattinam-Madurai-Tuticorin Gas Pipeline	3,585.20	-	-	-
- Paradip-Somnathpur-Haldia Pipeline	818.51	-	-	-
- 30" OD Crude Oil Pipeline in H-B section of PHBPL and Conversion of existing 18" twin pipelines in H-B section from crude to Product & Gas service	2,224.08	-	-	-
- LPG Import Facility At Paradip	593.93	-	-	-
- Motihari LPG Bottling Plant	168.87	-	-	-
- POL Terminal at Motihari	196.40	-	-	-
- Railhead depot at Silchar (Assam)	123.08	-	-	-
- TOP at Manmad Terminal	149.48	-	-	-
- TOP at Solapur Depot	231.92	-	-	-
- TOP at Ahmednagar Depot	167.44	-	-	-
- Augmentation of Ratlam Terminal Project	252.79	-	-	-
- POL Terminal at Atchutapuram	233.14	-	-	-
- Guntakal Railfed Depot	180.20	-	-	-
- TOP on PHPL at Vijayawada	152.86	-	-	-
- Cochin LPG Import facility	488.02	-	-	-
- Pipeline TOP at Asaur	216.81	-	-	-
- BK-CBM-2001/1	220.73	-	-	-
- NK-CBM-2001/1	-	109.31	-	-
- Others Projects *	1,885.05	9.84	0.02	-
Total	**28,437.80**	**119.15**	**0.02**	**-**
ii) Projects temporarily suspended				
- 80 TPH PETCOKE FIRED BOILER Project at Guwahati Refinery				120.38
- Others Projects *	16.07	0.30	0.47	39.92
Total	**16.07**	**0.30**	**0.47**	**160.30**

Previous Year

(₹ in crore)

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
i) Projects in Progress				
- 2G Ethanol Plant at Panipat Refinery	-	274.74	-	-
- Ethanol production from PSA Off gas at Panipat Refinery	-	291.74	-	-
- NCU Expansion at Panipat Refinery	-	602.47	-	-
- Fuel Quality Upgradation Project	284.23	1,702.88	-	-
- Additional Crude Tanks Project at Paradip Refinery	-	156.82	-	-
- MEG Project at Paradip Refinery	-	2,739.16	-	-
- Infrastructure at Dumad for (Koyali Ahmednagar Solapur Pipeline) KASPL	-	189.66	-	-
- Paradip - Hyderabad Pipeline	2,693.63	-	-	-
- Augmentation of PHDPL and its extension upto Patna and Muzaffarpur	1,205.24	-	-	-
- Koyali - Ahmednagar-Sholapur Pipeline	1,286.75	-	-	-
- Ennore-Thiruvallur-Bengaluru-Puducherry-Nagapattinam-Madurai-Tuticorin Gas Pipeline	3,004.12	-	-	-
- Augmentation of Chennai Trichy Madurai Pipeline	112.97	-	-	-
- LPG Import Facility At Paradip	554.19	-	-	-
- Motihari LPG Bottling Plant	127.87	-	-	-
- POL Terminal at Motihari	226.67	-	-	-
- Railhead depot at Silchar (Assam)	210.15	-	-	-

NOTES TO FINANCIAL STATEMENTS

NOTE - 2.1: CAPITAL WORK IN PROGRESS (Contd...)

(₹ in crore)

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
- Augmentation of Ratlam Terminal Project	168.91	-	-	-
- Modernisation of Lube Blending Plant, Trombay	109.89	-	-	-
- Guntakal Railfed Depot	232.00	-	-	-
- Revamping/Augmentation of Baitalpur Depot	143.29	-	-	-
- BK-CBM-2001/1	-	177.51	-	-
- Others Projects *	955.72	411.49	93.57	0.96
Total	**11,315.63**	**6,546.47**	**93.57**	**0.96**
ii) Projects temporarily suspended				
- 80 TPH PETCOKE FIRED BOILER Project at Guwahati Refinery				120.38
- Others Projects *	14.60	10.85	0.06	40.39
Total	**14.60**	**10.85**	**0.06**	**160.77**

* Projects with actual expenditure less than ₹ 100 crore have been clubbed under Others Projects

NOTE - 2.2: CONSTRUCTION PERIOD EXPENSES (NET) DURING THE YEAR

(₹ in crore)

Particulars		March 31, 2022	March 31, 2021
Employee Benefit Expenses		**438.84**	421.12
Repairs and Maintenance		**6.61**	5.82
Consumption of Stores and Spares		**0.16**	0.20
Power & Fuel		**7.24**	57.88
Rent		**13.21**	11.47
Rates and Taxes		**1.55**	2.69
Travelling Expenses		**47.53**	49.91
Communication Expenses		**1.75**	1.78
Printing and Stationery		**0.87**	0.81
Electricity and Water Charges		**3.64**	6.76
Bank Charges		**0.11**	0.06
Technical Assistance Fees		**3.89**	2.40
Finance Costs	A	**937.45**	697.88
Depreciation, Amortisation and Impairment on:			
Property, Plant and Equipment		**19.09**	25.86
Intangible Assets		**0.11**	0.30
Start Up/ Trial Run Expenses (net of revenue)		**0.98**	5.30
Others		**55.03**	70.36
Total Expenses		**1,538.06**	1,360.60
Less : Recoveries		**24.06**	14.71
Net Expenditure during the year		**1,514.00**	**1,345.89**

A. Rate of Specific borrowing eligible for capitalisation is **1.11% to 7.41%** (2021: 1.08% to 8.12%)

NOTES TO FINANCIAL STATEMENTS

NOTE - 3: INTANGIBLE ASSETS

Current Year

(₹ in crore)

		Right of Way	Licenses	Computer Software	Total
GROSS BLOCK	**Gross Block as at April 01, 2021**	**1,270.03**	**1,443.41**	**371.95**	**3,085.39**
	Additions during the year	110.14	13.21	22.22	145.57
	Transfers from Intangible Assets under Development	-	86.68	42.44	129.12
	Disposals/ Deductions / Transfers / Reclassifications	-	(9.06)	(12.09)	(21.15)
	Gross Block as at March 31, 2022	**1,380.17**	**1,534.24**	**424.52**	**3,338.93**
AMORTISATION	**Amortisation as at April 01, 2021**	**19.37**	**328.00**	**254.22**	**601.59**
	Amortisation during the year	3.80	95.48	75.20	174.48
	Disposals/ Deductions / Transfers / Reclassifications	-	(0.55)	(11.90)	(12.45)
	Amortisation as at March 31, 2022	**23.17**	**422.93**	**317.52**	**763.62**
	Net Block as at March 31, 2022	**1,357.00**	**1,111.31**	**107.00**	**2,575.31**

Previous Year

(₹ in crore)

		Right of Way	Licenses	Computer Software	Total
GROSS BLOCK	**Gross Block as at April 01, 2020**	**919.30**	**1,172.18**	**250.40**	**2,341.88**
	Additions during the year	350.71	1.84	31.00	383.55
	Transfers from Intangible Assets under Development	-	276.21	90.99	367.20
	Deductions / Transfers / Reclassifications	0.02	(6.82)	(0.44)	(7.24)
	Gross Block as at March 31, 2021	**1,270.03**	**1,443.41**	**371.95**	**3,085.39**
AMORTISATION	**Amortisation as at April 01, 2020**	**14.37**	**230.47**	**168.00**	**412.84**
	Amortisation during the year	5.01	97.74	86.10	188.85
	Disposals/ Deductions / Transfers/ Reclassifications	(0.01)	(0.21)	0.12	(0.10)
	Amortisation as at March 31, 2021	**19.37**	**328.00**	**254.22**	**601.59**
	Net Block as at March 31, 2021	**1,250.66**	**1,115.41**	**117.73**	**2,483.80**

A. Amortisation for the year includes ₹ 0.11 crore (2021: ₹ 0.30 crore) relating to construction period expenses shown in Note 2.2

B. Hitherto, the amortisation was being charged pro-rata on quarterly basis on assets from/ upto the quarter of capitalisation/ disposal. As an improvement in present practice, the company has adopted a shorter time period of monthly grouping for pro-rata depreciation effective from April 01, 2021. The impact on account of above change is reduction in amortisation by ₹ 2.13 crore in FY 2021-22. However, the overall impact over the useful life of asset will be nil.

C. Net Block of Intangible Assets with indefinite useful life

(₹ in crore)

Particulars	At March 31, 2022	At March 31, 2021
Right of Way	1,353.91	1,243.77

Right of way for laying pipelines are acquired on a perpetual basis.

D. Details of Company's share of Jointly Owned Assets included in the above:

(₹ in crore)

Asset Particulars	Name of Joint Owner*	Gross Block	Accumulated Depreciation & Amortisation	W.D.V. as at March 31, 2022	W.D.V. as at March 31, 2021
Computer Software	HPCL, BPCL	0.95	0.93	0.02	0.07

* HPCL: Hindustan Petroleum Corporation Ltd., BPCL: Bharat Petroleum Corporation Ltd.

NOTES TO FINANCIAL STATEMENTS

NOTE - 3.1: INTANGIBLE ASSETS UNDER DEVELOPMENT

Current Year

(₹ in crore)

Particulars	Total
Balance as at beginning of the year	1,798.01
Net expenditure during the year	97.50
Transfer to Intangible Assets (Note 3)	(129.12)
Transfer to Statement of Profit and Loss	-
Other Allocation/ Adjustment during the year	368.24
	2,134.63
Provision for Loss	(453.16)
Closing Balance	1,681.47

Previous Year

(₹ in crore)

Particulars	Total
Balance as at beginning of the year	1,844.48
Net expenditure during the year	199.13
Transfer to Intangible Assets (Note 3)	(367.20)
Transfer to Statement of Profit and Loss	(46.22)
Other Allocation/ Adjustment during the year	167.82
	1,798.01
Provision for Loss	(346.49)
Closing Balance	1,451.52

Intangible assets under development are mainly in the nature of Exploration & Production Blocks and Licences & Computer Softwares. Amount above includes **₹ 205.22 crore** (2021: ₹ 204.91 crore) towards Capital Expenditure (Net) relating to ongoing Oil & Gas Exploration & Production activities

Ageing of Intangible Assets under Development

(₹ in crore)

Particulars	Amount of Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Current Year					
i) Projects in Progress	89.52	523.69	333.17	709.31	1,655.69
ii) Projects temporarily suspended	0.28	11.35	60.82	406.49	478.94
Total	**89.80**	**535.04**	**393.99**	**1,115.80**	**2,134.63**
Previous Year					
i) Projects in Progress	178.93	526.21	294.55	426.06	1,425.75
ii) Projects temporarily suspended	-	-	-	372.26	372.26
Total	**178.93**	**526.21**	**294.55**	**798.32**	**1,798.01**

NOTES TO FINANCIAL STATEMENTS

NOTE - 3.1: INTANGIBLE ASSETS UNDER DEVELOPMENT (Contd...)

Completion Schedule of Intangible Assets under Development for Projects where Completion is Overdue or Cost has Exceeded its Original Plan

(₹ in crore)

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Current Year				
i) Projects in Progress				
- NCU Expansion at Panipat Refinery	107.97			
- Acrlycs/ OXO Alcohol project at Gujarat Refinery	-	204.70		
- Shakthi Gabon			148.77	
- Others	263.53	25.25	-	-
Total	**371.50**	**229.95**	**148.77**	**-**
ii) Projects temporarily suspended				
- Residue Upgradation Project at Mathura Refinery				132.21
- Farsi, Iran				126.26
- Others	-	-	0.28	220.19
Total	**-**	**-**	**0.28**	**478.66**
Previous Year				
i) Projects in Progress				
- NCU Expansion at Panipat Refinery	-	107.97		
- Shakthi Gabon				148.78
- Others	14.02	132.71	25.25	0.01
Total	**14.02**	**240.68**	**25.25**	**148.79**
ii) Projects temporarily suspended				
- Residue Upgradation Project at Mathura Refinery				132.21
- Farsi, Iran				126.25
- Others				113.80
Total	**-**	**-**	**-**	**372.26**

NOTES TO FINANCIAL STATEMENTS

NOTE - 4 : INVESTMENTS

Particulars	Investment Currency	Face Value/ Paid up Value	March 31,2022 Number	March 31,2022 Paid Up Value		March 31,2022 Investment Value (₹ in crore) (1)	March 31,2022 Impairment Loss/Fair Value Adjustment (₹ in crore) (2)	March 31,2022 Carrying / Fair Value (₹ in crore) (1+2)	March 31,2021 Number	March 31,2021 Paid Up Value	March 31,2021 Investment Value (₹ in crore) (1)	March 31,2021 Impairment Loss/Fair Value Adjustment (₹ in crore) (2)	March 31,2021 Carrying / Fair Value (₹ in crore) (1+2)
NON-CURRENT INVESTMENTS :													
I In Equity Shares													
A In Subsidiaries (At Cost):													
QUOTED:													
Chennai Petroleum Corporation Limited	Indian Rupees	10	**77265200**	**10**		**509.33**	**-**	**509.33**	77265200	10	509.33	-	509.33
Lanka IOC PLC	Sri Lankan Rupees	10	**400000005**	**10**		**194.13**	**-**	**194.13**	400000005	10	194.13	-	194.13
(Quoted in Colombo Stock Exchange, Sri Lanka)													
UNQUOTED:													
Indian Oil Mauritius Limited	Mauritian Rupees	100	**4882043**	**100**		**75.67**	**-**	**75.67**	4882043	100	75.67	-	75.67
IOC Middle East FZE	Arab Emirates Dirham	10,00,000	**2**	**10,00,000**		**2.30**	**-**	**2.30**	2	10,00,000	2.30	-	2.30
IOC Sweden AB	Swedish Krona	100	**5256111**	**100**		**388.47**	**(290.33)**	**98.14**	5243808	100	387.26	-	387.26
IOCL (USA) Inc.	USD	0.01	**5763538921**	**0.01**		**336.32**	**(154.54)**	**181.78**	5763538921	0.01	336.32	(154.54)	181.78
Indian Catalyst Private Limited (dissolved)	Indian Rupees	-	**-**	**-**		**-**	**-**	**-**	9483206	10	4.73	(4.73)	-
(formely known as Indo Cat Private Limited)													
IndOil Global B.V.	Canadian Dollars	1	**1131302435**	**1**		**7,840.35**	**(1,909.51)**	**5,930.84**	1131302435	1	7,840.35	(1,909.51)	5,930.84
IOCL Singapore PTE Limited	USD	1	**1329991988**	**1**		**9,005.34**	**-**	**9,005.34**	1079991988	1	7,128.82	-	7,128.82
Sub-total: (I)(A)						**18,351.91**	**(2,354.38)**	**15,997.53**			**16,478.91**	**(2,068.78)**	**14,410.13**
B In Associates (At Cost):													
QUOTED:													
Petronet LNG Limited	Indian Rupees	10	**187500000**	**10**		**98.75**	**-**	**98.75**	187500000	10	98.75	-	98.75
UNQUOTED:													
Avi-Oil India Private Limited	Indian Rupees	10	**4500000**	**10**		**4.50**	**-**	**4.50**	4500000	10	4.50	-	4.50
Petronet India Limited (under liquidation)	Indian Rupees	0.10	**18000000**	**0.10**		**0.18**	**-**	**0.18**	18000000	0.10	0.18	-	0.18
Petronet VK Limited	Indian Rupees	10	**50000000**	**10**		**26.02**	**(26.00)**	**0.02**	50000000	10	26.02	(26.00)	0.02
Sub-total: (I)(B)						**129.45**	**(26.00)**	**103.45**			**129.45**	**(26.00)**	**103.45**
C In Joint Ventures (At Cost):													
UNQUOTED:													
Indian Oiltanking Limited	Indian Rupees	10	**494828289**	**10**		**723.98**	**-**	**723.98**	494828289	10	723.98	-	723.98
Lubrizol India Private Limited	Indian Rupees	100	**499200**	**100**		**61.71**	**-**	**61.71**	499200	100	61.71	-	61.71
Indian Oil Petronas Private Limited	Indian Rupees	10	**134000000**	**10**		**134.00**	**-**	**134.00**	134000000	10	134.00	-	134.00
Petronet CI Limited (under liquidation)	Indian Rupees	10	**3744000**	**10**		**3.83**	**(3.83)**	**-**	3744000	10	3.83	(3.83)	-
Green Gas Limited	Indian Rupees	10	**23047250**	**10**		**23.09**	**-**	**23.09**	23042250	10	23.04	-	23.04
IndianOil SkyTanking Private Limited	Indian Rupees	10	**25950000**	**10**		**73.28**	**-**	**73.28**	25950000	10	73.28	-	73.28
Suntera Nigeria 205 Limited	Naira	1	**2500000**	**1**		**0.05**	**-**	**0.05**	2500000	1	0.05	-	0.05
Delhi Aviation Fuel Facility Private Limited	Indian Rupees	10	**60680000**	**10**		**60.68**	**-**	**60.68**	60680000	10	60.68	-	60.68
Indian Synthetic Rubbers Private Limited	Indian Rupees	10	**222861375**	**10**		**222.86**	**-**	**222.86**	222861375	10	222.86	-	222.86
NPCIL-IndianOil Nuclear Energy Corporation Limited	Indian Rupees	10	**260000**	**10**		**0.26**	**-**	**0.26**	260000	10	0.26	-	0.26
GSPL India Gasnet Limited	Indian Rupees	10	**491925030**	**10**		**491.93**	**-**	**491.93**	413925030	10	413.93	-	413.93
GSPL India Transco Limited	Indian Rupees	10	**157820000**	**10**		**157.82**	**(33.29)**	**124.53**	151320000	10	151.32	-	151.32

NOTES TO FINANCIAL STATEMENTS

NOTE - 4 : INVESTMENTS (Contd...)

Particulars	Investment Currency	Face Value/ Paid up Value	March 31,2022 Number	Paid Up Value		March 31,2022 Investment Value (₹ in crore) (1)	Impairment Loss/Fair Value Adjustment (₹ in crore) (2)	Carrying / Fair Value (₹ in crore) (1+2)	March 31,2021 Number	Paid Up Value	Investment Value (₹ in crore) (1)	Impairment Loss/Fair Value Adjustment (₹ in crore) (2)	Carrying / Fair Value (₹ in crore) (1+2)
Indian Oil Adani Gas Private Limited	Indian Rupees	10	**631190000**	**10**		**631.19**	**-**	**631.19**	432245000	10	432.25	-	432.25
Mumbai Aviation Fuel Farm Facility Private Limited	Indian Rupees	10	**52918750**	**10**		**52.92**	**-**	**52.92**	48288750	10	48.29	-	48.29
Kochi Salem Pipeline Private Limited	Indian Rupees	10	**275000000**	**10**		**275.00**	**-**	**275.00**	202500000	10	202.50	-	202.50
IndianOil LNG Private Limited [a] (Refer Note C.5)	Indian Rupees	10	**4500**	**10**		**-**	**-**	**-**	5000	10	0.01	-	0.01
Hindustan Urvarak and Rasayan Limited	Indian Rupees	10	**1629415000**	**10**		**1,629.42**	**-**	**1,629.42**	1131765000	10	1,131.77	-	1,131.77
Ratnagiri Refineries & Petrochemicals Limited	Indian Rupees	10	**100000000**	**10**		**100.00**	**-**	**100.00**	100000000	10	100.00	-	100.00
Indradhanush Gas Grid Limited	Indian Rupees	10	**85000000**	**10**		**85.00**	**-**	**85.00**	61000000	10	61.00	-	61.00
IHB Limited	Indian Rupees	10	**1029000000**	**10**		**1,029.00**	**-**	**1,029.00**	829000000	10	829.00	-	829.00
IndianOil Total Private Limited	Indian Rupees	10	**15000000**	**10**		**15.00**	**-**	**15.00**	7500000	10	7.50	-	7.50
IOC Phinergy Private Ltd	Indian Rupees	10	**562500**	**10**		**0.56**	**-**	**0.56**	-	-	-	-	-
Paradeep Plastic Park Limited	Indian Rupees	10	**32720000**	**10**		**32.72**	**-**	**32.72**	-	-	-	-	-
Sub-total: (I)(C)						**5,804.30**	**(37.12)**	**5,767.18**			**4,681.26**	**(3.83)**	**4,677.43**
Total Investments in Subsidiaries, Associates & JVs [(I)(A)+(I)(B)+(I)(C)]						**24,285.66**	**(2,417.50)**	**21,868.16**			**21,289.62**	**(2,098.61)**	**19,191.01**
D In Others													
Investments designated at fair value through OCI:													
QUOTED:													
Oil and Natural Gas Corporation Limited	Indian Rupees	5	**986885142**	**5**		**1,780.12**	**14,394.93**	**16,175.05**	986885142	5	1,780.12	8,300.91	10,081.03
GAIL (India) Limited	Indian Rupees	10	**108905460**	**10**		**122.52**	**1,572.59**	**1,695.11**	108905460	10	122.52	1,353.15	1,475.67
Oil India Limited	Indian Rupees	10	**53501100**	**10**		**1,123.52**	**151.94**	**1,275.46**	53501100	10	1,123.52	(466.53)	656.99
UNQUOTED:													
International Cooperative Petroleum Association, New York	USD	100	**350**	**100**		**0.02**	**-**	**0.02**	350	100	0.02	-	0.02
Haldia Petrochemical Limited	Indian Rupees	10	**150000000**	**10**		**150.00**	**770.25**	**920.25**	150000000	10	150.00	705.40	855.40
Indian Gas Exchange Limited	Indian Rupees	10	**3693750**	**10**		**3.69**	**2.16**	**5.85**	-	-	-	-	-
Vadodara Enviro Channel Limited [b] (Formerly Effluent Channel Projects Limited)	Indian Rupees	10	**7151**	**10**		**-**	**-**	**-**	7151	10	-	-	-
Woodlands Multispeciality Hospital Limited (Refer Note C.2)	Indian Rupees	-	**-**	**-**		**-**	**-**	**-**	101095	10	0.10	-	0.10
Shama Forge Co. Limited [c] (under liquidation)	Indian Rupees	10	**100000**	**10**		**-**	**-**	**-**	100000	10	-	-	-
In Consumer Cooperative Societies:													
Barauni [d]	Indian Rupees	10	**250**	**10**		**-**	**-**	**-**	250	10	-	-	-
Guwahati [e]	Indian Rupees	10	**750**	**10**		**-**	**-**	**-**	750	10	-	-	-
Mathura [f]	Indian Rupees	10	**200**	**10**		**-**	**-**	**-**	200	10	-	-	-
Haldia [g]	Indian Rupees	10	**2190**	**10**		**-**	**-**	**-**	2190	10	-	-	-
In Indian Oil Cooperative Consumer Stores Limited, Delhi [h]	Indian Rupees	10	**375**	**10**		**-**	**-**	**-**	375	10	-	-	-
Sub-total: (I)(D)						**3,179.87**	**16,891.87**	**20,071.74**			**3,176.28**	**9,892.93**	**13,069.21**
Sub-total: (I) = [(I)(A)+(I)(B)+(I)(C)+(I)(D)]						**27,465.53**	**14,474.37**	**41,939.90**			**24,465.90**	**7,794.32**	**32,260.22**

NOTES TO FINANCIAL STATEMENTS

NOTE - 4 : INVESTMENTS (Contd...)

Particulars	Investment Currency	Face Value/ Paid up Value	March 31,2022 Number	Paid Up Value		March 31,2022 Investment Value	Impairment Loss/Fair Value Adjustment	Carrying / Fair Value	March 31,2021 Number	Paid Up Value	Investment Value	Impairment Loss/Fair Value Adjustment	Carrying / Fair Value
						(₹ in crore)	(₹ in crore)	(₹ in crore)			(₹ in crore)	(₹ in crore)	(₹ in crore)
						(1)	(2)	(1+2)			(1)	(2)	(1+2)
II In Preference Shares													
Investments at fair value through profit and loss													
A In Subsidiary Companies:													
UNQUOTED:													
Chennai Petroleum Corporation Limited	Indian Rupees	10	**500000000**	**10**		**500.00**	**99.33**	**599.33**	500000000	10	500.00	100.00	600.00
6.65% Cum. Redeemable Non Convertible Preference Shares													
Sub-total: (II)(A)						**500.00**	**99.33**	**599.33**			**500.00**	**100.00**	**600.00**
B In Others													
UNQUOTED:													
Shama Forge Co. Limited [i] (under liquidation)	Indian Rupees	100	**5000**	**100**		**-**	**-**	**-**	5000	100	-	-	-
9.5% Cumulative Redeemable Preference Shares													
Sub-total: (II)(B)						**-**	**-**	**-**			**-**	**-**	**-**
III In Government Securities													
Investments at fair value through OCI													
Quoted: (Note B and C)													
Oil Marketing Companies GOI Special Bonds	Indian Rupees	10,000	**2977930**	**10,000**		**2,977.93**	**108.94**	**3,086.87**	-	-	-	-	-
9.15% Govt Stock 2024	Indian Rupees	10,000	**6000**	**10,000**		**6.84**	**(0.10)**	**6.74**	1960000	10,000	2,242.91	20.84	2,263.75
7.35% Govt.Stock 2024	Indian Rupees	10,000	**695000**	**10,000**		**704.04**	**34.20**	**738.24**	695000	10,000	704.04	48.45	752.49
Sub-total: (III)						**3,688.81**	**143.04**	**3,831.85**			**2,946.95**	**69.29**	**3,016.24**
IV In Debentures or Bonds													
Investments at fair value through profit and loss													
Unquoted:													
IndianOil LNG Private Limited	Indian Rupees	10,00,000	**36650**	**10,00,000**		**3,665.00**	**(14.26)**	**3,650.74**	36650	10,00,000	3,665.00	210.66	3,875.66
7.45% Fully and Compulsorily Convertible Debentures													
Sub-total: (IV)						**3,665.00**	**(14.26)**	**3,650.74**			**3,665.00**	**210.66**	**3,875.66**
Total Other Investments [(I)(D)+(II)+(III)+(IV)]						**11,033.68**	**17119.98**	**28,153.66**			**10,288.23**	**10,272.88**	**20,561.11**
Total Non Current Investments (I+II+III+IV)						**35,319.34**	**14,702.48**	**50,021.82**			**31,577.85**	**8,174.27**	**39,752.12**
CURRENT INVESTMENTS:													
I In Government Securities (at fair value through OCI)													
Quoted: (Note B and C)													
Oil Marketing Companies GOI Special Bonds	Indian Rupees	10,000	**5205090**	**10,000**		**5,205.09**	**365.89**	**5,570.98**	8261020	10,000	8,261.02	606.27	8,867.29
9.15% Govt Stock 2024	Indian Rupees	10,000	**1954000**	**10,000**		**2,236.07**	**(42.23)**	**2,193.84**	-	-	-	-	-
Sub-total:						**7,441.16**	**323.66**	**7,764.82**			**8,261.02**	**606.27**	**8,867.29**
Total Current Investments						**7,441.16**	**323.66**	**7,764.82**			**8,261.02**	**606.27**	**8,867.29**

NOTES TO FINANCIAL STATEMENTS

NOTE - 4 : INVESTMENTS (Contd...)

(₹ in crore)

Particulars	March 31,2022	March 31,2021
Aggregate carrying value of quoted investments	**31,544.50**	24,899.43
Aggregate market value of quoted investments	**35,683.37**	29,362.46
Aggregate carrying value of unquoted investments	**26,242.14**	23,719.98
Aggregate amount of impairment in value of investments	**2,417.50**	2,098.61

Followings are not reflected above due to rounding off:-

(Amount in ₹)

Particulars	March 31,2022	March 31,2021
a IndianOil LNG Private Limited	**45,000**	50,000
b Vadodara Enviro Channel Limited	**10**	10
c Shama Forge Co. Limited	**100**	100
d Barauni Consumer Cooperative Societies	**2,500**	2,500
e Guwahati Consumer Cooperative Societies	**2,500**	2,500
f Mathura Consumer Cooperative Societies	**2,000**	2,000
g Haldia Consumer Cooperative Societies	**16,630**	16,630
h Indian Oil Cooperative Consumer Stores Limited, Delhi	**3,750**	3,750
i Shama Forge Co. Limited	**100**	100

Note: A

During the year New investments as well as additional investments were made, as per details below :

(₹ in crore)

Name of the Entity	Number	Amount
UNQUOTED INVESTMENT:		
Investment in Equity Shares:		
IOC Sweden AB	12303	1.21
IOCL Singapore PTE Limited	250000000	1,876.52
Green Gas Limited	5000	0.05
GSPL India Gasnet Limited	78000000	78.00
GSPL India Transco Limited	6500000	6.50
Indian Oil Adani Gas Private Limited	198945000	198.95
Mumbai Aviation Fuel Farm Facility Private Limited	4630000	4.63
Kochi Salem Pipeline Private Limited	72500000	72.50
Hindustan Urvarak and Rasayan Limited	497650000	497.65
Indradhanush Gas Grid Limited	24000000	24.00
IHB Limited	200000000	200.00
IndianOil Total Private Limied	7500000	7.50
IOC Phinergy Private Limited	562500	0.56
Paradeep Plastic Park Limited	32720000	32.72
Indian Gas Exchange Limited	3693750	3.69

Note: B

Investment in Oil Marketing Companies GOI Special Bonds consists of:

(₹ in crore)

Nature of Bond	No. of Bonds	Face Value Amount	Investment Value Amount	Carrying Value Amount
1 Current investment:				
7.95% GOI SPECIAL BONDS 2025	457250	457.25	457.25	491.18
8.20% GOI SPECIAL BONDS 2023	1453510	1,453.51	1,453.51	1,570.86
8.00% GOI SPECIAL BONDS 2026	189270	189.27	189.27	201.71
8.20% GOI SPECIAL BONDS 2024	3105060	3,105.06	3,105.06	3,307.23
Total Current Investments	**5205090**	**5,205.09**	**5,205.09**	**5,570.98**

NOTES TO FINANCIAL STATEMENTS

NOTE - 4 : INVESTMENTS (Contd...)

(₹ in crore)

Nature of Bond	No. of Bonds	Face Value Amount	Investment Value Amount	Carrying Value Amount
2 Non Current investment:				
6.90% GOI SPECIAL BONDS 2026	2977930	2,977.93	2,977.93	3,086.87
Total Non Current Investments	**2977930**	**2,977.93**	**2,977.93**	**3,086.87**

Note: C - Other Disclosures

1 During the year, Oil Marketing Companies 6.90% Special Bonds of investment value of ₹ 2,977.93 crore is reclassified from Current to Non Current investment and 9.15% Govt Stock 2024 of investment value of ₹ 2,236.07 crore is reclassified from Non Current to Current investment.

2 During the year, the company has reclassified investment in 101095 Equity shares of Woodlands Multispecialty Hospital Limited with carrying value of **₹ 0.10 crore** (2021: ₹ 0.10 crore) as held for sale.

3 Following, Government Securities pledged in favour of Clearing Corporation of India Ltd. (CCIL) for loans through Tri-party Repo Segment (TREPS) of CCIL have been classified as Non Current.

(₹ in crore)

Particulars	March 31,2022			March 31,2021		
	Face Value	Investment Value	Carrying Value	Face Value	Investment Value	Carrying Value
9.15% GOVT.STOCK 2024	**6.00**	**6.84**	**6.74**	1,960.00	2,242.91	2,263.75
7.35% GOVT.STOCK 2024	**695.00**	**704.04**	**738.24**	695.00	704.04	752.49
Oil Marketing Companies GOI Special Bonds	**2,977.93**	**2,977.93**	**3,086.87**	-	-	-

4 Out of Oil Marketing Companies 8.20% GOI Special Bonds 2024 classified as Current Investment, bonds of investment value ₹ 2,336 crore (Carrying value ₹ 2,488.10 crore) has been used as collateral against availment of overnight borrowings through CROMS platform of CCIL.

5 During the current year, 500 equity shares of Indian Oil LNG Private Limited having face value and investment value of ₹ 5,000 has been sold to Tamil Nadu Industrial Development Corporation.

NOTE - 5: LOANS

(At amortised cost unless otherwise stated)

(₹ in crore)

Particulars	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Loans A				
To Related Parties				
Secured, Considered Good	**0.05**	0.02	**0.02**	104.67
Unsecured, Considered Good	**156.07**	15.00	**0.46**	122.23
Credit Impaired	**110.90**	-	**0.60**	0.60
	267.02	**15.02**	**1.08**	**227.50**
Less : Allowance for Doubtful Loans	**110.90**	-	**0.60**	0.60
	156.12	**15.02**	**0.48**	**226.90**
To Others				
Secured, Considered Good	**844.76**	894.59	**114.28**	110.60
Unsecured, Considered Good	**1,405.24**	1,736.62	**354.99**	313.38
Which have significant increase in Credit Risk	**132.32**	215.03	**21.34**	17.44
Credit Impaired	**247.79**	348.75	**197.32**	206.31
	2,630.11	**3,194.99**	**687.93**	**647.73**
Less: Allowance for Doubtful Loans	**522.31**	820.28	**248.46**	258.12
	2,107.80	**2,374.71**	**439.47**	**389.61**
TOTAL	**2,263.92**	**2,389.73**	**439.95**	**616.51**
A. Includes:				
1. Loans valued at Fair Value through Profit or Loss (FVTPL)	**141.02**	-	**-**	121.51
2. Due from Directors	**0.10**	0.02	**0.11**	0.01
3. Due from Other Officers	**4.18**	3.44	**2.25**	1.84

NOTES TO FINANCIAL STATEMENTS

NOTE - 6: OTHER FINANCIAL ASSETS

(Unsecured, Considered Good at amortised cost unless otherwise stated)

(₹ in crore)

Particulars		Non Current		Current	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Security Deposits					
To Others					
Secured, Considered Good		**0.10**	0.09	**-**	-
Unsecured, Considered Good		**190.51**	166.35	**277.44**	296.64
Credit Impaired		**-**	-	**1.42**	1.40
		190.61	**166.44**	**278.86**	**298.04**
Less: Allowance for Doubtful Deposits		**-**	-	**1.42**	1.40
		190.61	**166.44**	**277.44**	**296.64**
Advances for Investments	A				
Joint Ventures		**778.00**	22.63		
		778.00	**22.63**		
Amount Recoverable from Central/ State Government		**-**	-	**414.11**	680.35
Finance Lease Receivables		**0.83**	1.93	**2.51**	2.13
Interest Accrued on Investments/ Bank Deposits/ Loans		**-**	-	**-**	-
Derivative Instruments at Fair Value		**-**	-	**76.72**	45.13
Advance to Employee Benefits Trusts/Funds		**-**	-	**151.83**	870.53
Bank Deposits (with original maturity of more than 12 months)	B	**1.44**	0.52	**0.42**	2.04
Receivables on Agency Sales		**-**	-	**1,884.09**	1,071.50
Claims Recoverable:					
From Related Parties					
Unsecured, Considered Good		**-**	-	**54.67**	55.70
Credit Impaired		**-**	-	**4.26**	4.26
		-	-	**58.93**	59.96
From Others					
Unsecured, Considered Good		**-**	-	**151.53**	244.87
Credit Impaired		**-**	-	**194.10**	181.72
		-	-	**345.63**	426.59
Less : Provision for Doubtful Claims		**-**	-	**198.36**	185.98
		-	-	**206.20**	300.57
Others:					
Unsecured, Considered Good		**18.59**	27.30	**334.11**	284.89
Which have significant increase in Credit Risk		**-**	-	**-**	402.54
Credit Impaired		**-**	-	**14.92**	3.04
		18.59	**27.30**	**349.03**	**690.47**
Less: Allowance for Doubtful Asset		**-**	-	**14.92**	74.60
		18.59	27.30	**334.11**	615.87
TOTAL		**989.47**	**218.82**	**3,347.43**	**3,884.76**

A. Represents equity share application money pending allotment. The allotment of equity shares is expected to be made as per Companies Act, 2013.

B. Earmarked in favour of Statutory Authorities/ provided as Security to participate in Tender.

NOTES TO FINANCIAL STATEMENTS

NOTE - 7: INCOME TAX/ CURRENT TAX ASSET/ (LIABILITY) - NET

(₹ in crore)

Particulars	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Income Tax/Current Tax Asset/ (Liability) - Net				
Advance payments for Current Tax	**8,031.90**	20,635.18	**6,164.97**	4,703.28
Less : Provisions	**5,283.84**	18,206.33	**6,776.36**	5,501.13
TOTAL	**2,748.06**	2,428.85	**(611.39)**	(797.85)
Includes amount relating to Fringe Benefit Tax	**3.39**	3.39	**2.04**	2.04

NOTE - 8: OTHER ASSETS (NON FINANCIAL)

(Unsecured, Considered Good unless otherwise stated)

(₹ in crore)

Particulars		Non Current		Current	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Advances for Capital Expenditure					
To Others					
Secured, Considered Good		**15.21**	21.01		
Unsecured, Considered Good		**1,337.02**	1,114.08		
Unsecured, Considered Doubtful		**9.33**	9.36		
		1,361.56	**1,144.45**		
Less: Provision for Doubtful Advances		**9.33**	9.36		
		1,352.23	**1,135.09**		
Advances Recoverable					
From Related Parties					
Unsecured, Considered Good		**1,024.35**	721.90	**22.61**	22.61
From Others					
Secured, Considered Good		**-**	-	**-**	-
Unsecured, Considered Good		**284.60**	15.25	**2,093.09**	2,066.79
Unsecured, Considered Doubtful		**-**	-	**4.57**	292.62
		284.60	**15.25**	**2,097.66**	**2,359.41**
Less: Provision for Doubtful Advances		**-**	-	**4.57**	292.62
		284.60	15.25	**2,093.09**	2,066.79
		1,308.95	**737.15**	**2,115.70**	**2,089.40**
Claims Recoverable:	A				
From Others					
Unsecured, Considered Good		**-**	-	**447.84**	236.94
Unsecured, Considered Doubtful		**-**	-	**34.27**	29.98
		-	**-**	**482.11**	**266.92**
Less : Provision for Doubtful Claims		**-**	-	**34.27**	29.98
		-	**-**	**447.84**	**236.94**
Balance/ Deposits with Government Authorities					
Unsecured, Considered Good		**-**	-	**488.46**	502.56
Gold/ Other Precious Metals		**-**	-	**98.41**	62.21
Less: Provision for Diminution in value		**-**	-	**5.67**	-
		-	-	**92.74**	62.21

NOTES TO FINANCIAL STATEMENTS

NOTE - 8: OTHER ASSETS (NON FINANCIAL) (Contd...)

(Unsecured, Considered Good unless otherwise stated)

(₹ in crore)

Particulars	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Deferred Expenses	**975.68**	921.01	**115.45**	114.06
Prepaid Rentals	**22.24**	35.34	**19.63**	62.96
Pre-Spent Corporate Social Responsibility Expenses (Refer Note - 45)	**-**	-	**93.52**	118.37
TOTAL	**3,659.10**	**2,828.59**	**3,373.34**	**3,186.50**
A. Includes:				
1. GST/ Customs/ Excise Duty/ DEPB/ Duty Drawback Claims which are in the process of being claimed with the Department.	-	-	**21.93**	7.65
2. Claims recoverable from Customs Authorities pending for final assessment/ settlement.	-	-	**26.20**	31.31

NOTE - 9: INVENTORIES

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
In Hand :		
Raw Materials	**26,628.70**	17,246.18
Stock in Process	**9,746.98**	5,964.42
Finished Products	**36,457.94**	29,540.73
Stock in Trade	**7,596.60**	6,345.74
Stores, Spares etc.	**4,771.87**	4,330.71
Less : Provision for Losses	**214.28**	189.12
	4,557.59	**4,141.59**
Barrels and Tins	**122.45**	106.30
	85,110.26	**63,344.96**
In Transit :		
Raw Materials	**13,733.22**	10,818.14
Finished Products	**1,387.46**	1,112.22
Stock in Trade	**2,692.78**	2,721.63
Stores, Spares etc.	**283.22**	191.06
	18,096.68	**14,843.05**
TOTAL	**1,03,206.94**	**78,188.01**
Stock in Hand includes stock lying with others-		
Raw Materials	**3.02**	4.07
Finished Products	**2,314.13**	1,932.12
Stock in Trade	**1,389.94**	1,117.38
Stores, Spares etc.	**18.48**	9.78
Barrels and Tins	**1.42**	0.46
Amount of write down of inventories carried at NRV and recognised as Expense.	**1,364.42**	422.68

Valuation of inventories are done as per point no. 7 of significant accounting policies (Note-1).

For hypothecation details refer Note-21.

NOTES TO FINANCIAL STATEMENTS

NOTE - 10: TRADE RECEIVABLES

(At amortised cost)

(₹ in crore)

Particulars		March 31, 2022	March 31, 2021
From Related Parties			
Unsecured, Considered Good		**468.43**	321.51
Credit Impaired		**7.29**	7.03
		475.72	**328.54**
From Others			
Secured, Considered Good		**15.43**	21.40
Unsecured, Considered Good		**17,885.55**	11,075.10
Which have significant increase in Credit Risk		**-**	2,399.55
Credit Impaired		**155.67**	162.02
		18,056.65	13,658.07
Total		**18,532.37**	**13,986.61**
Less : Allowance for Doubtful Debts	A	**395.80**	607.05
TOTAL		**18,136.57**	**13,379.56**
A. Includes provision as per Expected Credit Loss method in line with accounting policy (Refer Note 40)		**232.84**	11.45

Ageing of Trade Receivables

(₹ in crore)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Current Year								
i) Undisputed Trade Receivables – considered good	75.76	10,860.58	5,174.01	1,390.33	280.04	271.31	37.86	18,089.89
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	0.61	0.13	55.48	56.22
iv) Disputed Trade Receivables – considered good	4.31	4.78	69.54	40.87	70.29	16.78	72.95	279.52
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	0.37	0.19	106.18	106.74
Total	**80.07**	**10,865.36**	**5,243.55**	**1,431.20**	**351.31**	**288.41**	**272.47**	**18,532.37**
Previous Year								
i) Undisputed Trade Receivables – considered good	61.13	7,514.80	2,096.90	575.43	781.46	136.82	30.42	11,196.96
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	541.87	419.45	134.81	1,226.78	38.97	-	2,361.88
iii) Undisputed Trade Receivables – credit impaired	-	-	-	0.01	0.15	-	58.37	58.53
iv) Disputed Trade Receivables – considered good	1.18	8.32	39.99	59.42	28.67	14.39	69.08	221.05
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	37.67	-	-	37.67
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	110.52	110.52
Total	**62.31**	**8,064.99**	**2,556.34**	**769.67**	**2,074.73**	**190.18**	**268.39**	**13,986.61**

NOTES TO FINANCIAL STATEMENTS

NOTE - 11: CASH AND CASH EQUIVALENTS

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Bank Balances with Scheduled Banks :		
In Current Account	**693.09**	299.03
In Fixed Deposit - Maturity within 3 months	**0.80**	0.77
	693.89	**299.80**
Bank Balances with Non-Scheduled Banks	**4.07**	1.93
Cheques, Drafts in hand	**11.46**	11.54
Cash in Hand, Including Imprest	**0.49**	0.47
TOTAL	**709.91**	**313.74**

NOTE - 12: BANK BALANCES OTHER THAN ABOVE

(₹ in crore)

Particulars		March 31, 2022	March 31, 2021
Fixed Deposits	A	**21.76**	12.91
Earmarked Balances	B	**149.96**	1,340.99
Blocked Account	C	**0.74**	0.72
Other Bank Balances	D	**0.61**	0.01
TOTAL		**173.07**	**1,354.63**
A) Includes Fixed Deposits earmarked in favour of Statutory Authorities		**13.09**	12.91
B) Pertains to			
- Unpaid Dividend		**46.66**	41.09
- Fractional Share Warrants		**0.03**	0.03
- Amount received from PM CARES Fund for procurement of Liquid Oxygen Equipments		**103.27**	
- Interim Dividend Declared but not Disbursed (including TDS)		**-**	1,299.87
C) There exists restrictions on banking transactions in Libya due to political unrest.			
D) There exists restrictions on repatriation/ utilisation of these balances.			

NOTE-13: ASSETS HELD FOR SALE

(₹ in crore)

Particulars	Note	March 31, 2022	March 31, 2021
Freehold land	A	**0.64**	1.56
Building		**0.07**	0.17
Plant and Equipment		**98.80**	190.90
Office Equipment		**0.19**	0.23
Transport Equipment		**0.00**	0.02
Furniture and Fixtures		**0.01**	0.02
Total		**99.71**	**192.90**
Disposal Group: Narimanam Marketing Terminal	B		
Freehold land		**4.96**	0.00
Building		**12.97**	0.00
Plant and Equipment		**52.00**	0.00
Office Equipment		**0.05**	0.00
Total		**69.98**	0.00
Investment in Equity Shares	C	**0.10**	
Total Asset held for sale		**169.79**	**192.90**

NOTES TO FINANCIAL STATEMENTS

NOTE - 13: ASSETS HELD FOR SALE (Contd...)

A. The Company has surplus land at various locations such as LPG Plant , Depots and ROs etc. which is under the process of disposal. The management intends to sell the land. No impairment was recognised on reclassification of land as held for sale as the Company expects that the fair value (estimated based on the recent market prices of similar properties in similar locations) less costs to sell is higher than the carrying amount.

B. A new joint venture is proposed to be formed between IOCL and CPCL with combined equity holding of 50% and balance by strategic / public investors, for construction of new 9 MMTPA refinery at Cauvery Basin Nagapattinam. During the year, NITI Aayog has given approval for formation of joint venture and accordingly, the land and other facilities held by the Company at Narimanam Marketing Terminal which are intended to be transferred to the new Joint Venture are classified under Disposal group.

C. During the year the company has reclassified investment in 101095 Equity shares of Woodlands Multispeciality Hospital Limited with carrying value of **₹ 0.10 crore** (2021: ₹ 0.10 crore) as held for sale.

During the year the company has reclassified Assets Held for sale amounting to **₹ 72.99 crore** (2021: ₹ 0.09 crore) as Property, Plant and Equipment/ Other Assets based on the plan for disposal of assets.

During the year, the company has recognized impairment loss of **₹ 17.88 crore** (2021: ₹ 30.00 crore) on write-down of asset to fair value less costs to sell and the same has been shown in Provision/loss on Other Assets sold or written off under 'Other Expenses' in the Statement of Profit and Loss.

NOTE - 14: EQUITY SHARE CAPITAL

(₹ in crore)

	March 31, 2022	March 31, 2021
Authorized:		
15,00,00,00,000 Equity Shares of ₹ 10 each	**15,000.00**	15,000.00
Issued Subscribed and Paid Up:		
9,41,41,58,922 (2021: 9,41,41,58,922)	**9,414.16**	9,414.16
Equity Shares of ₹ 10 each fully paid up		
Less: Equity Shares held under IOC Shares Trust	**233.12**	233.12
23,31,18,456 (2021: 23,31,18,456)		
Equity Shares of ₹ 10 each fully paid up		
TOTAL	**9,181.04**	**9,181.04**
A. Reconciliation of No. of Equity Shares		
Opening Balance	**9,41,41,58,922**	9,41,41,58,922
Closing Balance	**9,41,41,58,922**	9,41,41,58,922

B. Terms/ Rights attached to Equity Shares

The Company has only one class of equity shares having par value of ₹ 10 each and is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

IOC Shares Trust (Shareholder) has waived its right to receive the dividend w.e.f. 02.03.2020.

NOTES TO FINANCIAL STATEMENTS

NOTE - 14: EQUITY SHARE CAPITAL (Contd...)

C. Details of shareholders holdings more than 5% shares

Name of Shareholder	March 31, 2022		March 31, 2021	
	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
THE PRESIDENT OF INDIA	**4,84,81,33,178**	**51.50**	4,84,81,33,178	51.50
OIL AND NATURAL GAS CORPORATION LIMITED	**1,33,72,15,256**	**14.20**	1,33,72,15,256	14.20
LIFE INSURANCE CORPORATION OF INDIA	**74,92,64,496**	**7.96**	72,26,80,547	7.68
OIL INDIA LIMITED	**48,55,90,496**	**5.16**	48,55,90,496	5.16

D. For the period of preceding five years as on the Balance Sheet date, the:

(a) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	Nil
(b) Aggregate number of shares allotted as fully paid up by way of bonus shares - During FY 2017-18 (March 2018) in ratio of 1:1	4,85,59,04,964
(c) Aggregate number and class of shares bought back - During FY 2018-19 (February 2019)	29,76,51,006

E. Details regarding shareholding of Promoters as at March 31, 2022

Shares held by promoters	At the beginning of the year		At the end of the year		% Change during the year
Promoter Name	Number of shares	% of total shares	Number of shares	% of total shares	
THE PRESIDENT OF INDIA	4,84,81,33,178	51.50	**4,84,81,33,178**	**51.50**	-

NOTE - 15: OTHER EQUITY

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Retained Earnings		
General Reserve:		
Opening Balance	**87,160.21**	74,905.19
Add: Remeasurement of Defined Benefit Plans	**(576.19)**	16.78
Add: Transfer from Bond Redemption Reserve	**1,370.85**	-
Add : Transfer from Export profit Reserve	**-**	53.72
Add: Appropriation from Surplus	**14,524.02**	12,184.52
	1,02,478.89	87,160.21
Surplus (Balance in Statement of Profit and Loss)		
Profit for the Year	**24,184.10**	21,836.04
Less: Appropriations		
Interim Dividend	**8,263.41**	9,640.47
Final Dividend	**1,377.39**	-
Insurance Reserve (Net)	**19.28**	11.05
General Reserve	**14,524.02**	12,184.52
Balance carried forward to next year	**-**	-
Other Reserves		
Bond Redemption Reserve		
Opening Balance	**3,152.64**	3,152.64
Less: Transfer to General Reserve	**1,370.85**	-
	1,781.79	**3,152.64**

NOTES TO FINANCIAL STATEMENTS

NOTE - 15 : OTHER EQUITY (Contd...)

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Capital Redemption Reserve Account	**297.65**	297.65
Capital Reserve	**183.08**	183.08
Insurance Reserve :		
Opening Balance	**272.14**	261.09
Add: Appropriation from Surplus	**20.00**	20.00
Less : Recoupment of uninsured fire loss	**0.72**	8.95
	291.42	**272.14**
Export Profit Reserve :		
As per last Account	**-**	53.72
Less: Transfer to General Reserve	**-**	53.72
	-	-
Fair Value Through Other Comprehensive Income :		
Fair value of Equity Instruments		
Opening Balance	**9,766.18**	5,296.79
Add: Fair value during the year	**6,933.71**	4,469.39
	16,699.89	**9,766.18**
Fair value of Debt Instruments		
Opening Balance	**470.30**	391.67
Add: Fair value during the year	**(125.02)**	80.91
Less: Transferred to Statement of Profit and Loss	**-**	2.28
	345.28	**470.30**
Cash Flow Hedge Reserve		
Opening Balance	**16.80**	46.00
Add: Gain/(Loss) during the year	**27.33**	16.81
Less: Transferred during the year	**16.81**	46.01
	27.32	**16.80**
TOTAL	**1,22,105.32**	**1,01,319.00**

Nature and Purpose of Reserves

A. Retained Earnings

The retained earnings comprises of general reserve and surplus which is used from time to time to transfer profits by appropriations. Retained earnings is free reserve of the Company and is used for the purposes like issuing bonus shares, buy back of shares and other purposes (like declaring Dividend etc.) as per the approval of Board of Directors. It includes the re-measurement of defined benefit plan as per actuarial valuations which will not be re-classified to statement of profit and loss in subsequent periods.

B. Bond Redemption Reserve

As per the Companies Act 2013, a Bond Redemption Reserve is required to be created for all bonds/ debentures issued by the company at a specified percentage. This reserve is created out of appropriation of profits and is transferred back to general reserve on repayment of bonds for which it is created. In 2019, this requirement was dispensed with in case of public issue/ private placement of debentures by listed companies to NBFCs, Housing Finance Companies and other listed companies.

C. Capital Redemption Reserve

As per the Companies Act 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. Utilization of this reserve is governed by the provisions of the Companies Act 2013.

D. Capital Reserve

Capital Reserve was created through business combinations and shall be utilised as per the provisions of the Companies Act 2013.

NOTES TO FINANCIAL STATEMENTS

NOTE - 15 : OTHER EQUITY (Contd...)

E. Insurance Reserve

Insurance Reserve is created by the company with the approval of Board of Directors to mitigate risk of loss of assets not insured with external insurance agencies. ₹ 20.00 crore is appropriated by the company every year to this reserve. The reserve is utilised to mitigate actual losses by way of net appropriation in case any uninsured loss is incurred. Amount of **₹ 0.72 crore** (2021: ₹ 8.95 crore) has been utilised for recoupment of uninsured losses.

F. Export Profit Reserve

Amount set aside out of profit from exports for availing income tax benefits u/s 80HHC of the Income tax Act' 1961 for the Assessment Year 1986-87 to 1988-89. Creation of reserve for claiming deduction u/s 80HHC was dispensed from AY 1989-90 onwards. In view of settlement of tax dispute with respect to claim under section 80HHC, Export Profit Reserve created in earlier years was no longer required and therefore the balance lying was transferred to General Reserve in FY 2020-21.

G. Fair value of Equity Instruments

This reserve represents the cumulative effect of fair value fluctuations of investments made by the company in equity instruments of other entities. The cumulative gain or loss arising on such changes are recognised through Other Comprehensive Income (OCI) and accumulated under this reserve. This will not be re-classified to the statement of profit and loss in subsequent periods.

H. Fair value of Debt Instruments

This reserve represents the cumulative effect of fair value fluctuations in debt investments made by the company to earn contractual cash flows and are available for sale. The cumulative gain or loss arising on such changes are recognised through Other Comprehensive Income (OCI) and accumulated under this reserve. This amount will be re-classified to the statement of profit and loss in subsequent periods on disposal of respective instruments.

I. Cash Flow Hedge Reserve

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on such changes are recognised through Other Comprehensive Income (OCI) and accumulated under this reserve. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged item occurs/ affects the statement of profit and loss.

NOTE - 16: LONG TERM BORROWINGS

(At Amortised Cost)

(₹ in crore)

Particulars		Non Current		Current Maturities*	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
SECURED LOANS					
Term Loans:					
Oil Industry Development Board (OIDB)		-	531.59	-	37.50
Total Secured Loans		-	**531.59**	-	**37.50**
UNSECURED LOANS					
Bonds/ Debentures:					
Foreign Currency Bonds	A	**8,232.81**	12,402.76	**4,772.86**	3,853.59
Rupee Bonds/ Debentures	B	**14,408.49**	15,908.35	**3,385.92**	378.81
		22,641.30	**28,311.11**	**8,158.78**	**4,232.40**

NOTES TO FINANCIAL STATEMENTS

NOTE - 16: LONG TERM BORROWINGS (Contd...)

(At Amortised Cost)

(₹ in crore)

Particulars		Non Current		Current Maturities*	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Term Loans:					
From Banks/ Financial Institutions					
In Foreign Currency Loans	C	**20,817.46**	17,331.83	**4,558.46**	2.15
In Rupees	D	**5,500.00**	1,500.00	**18.77**	2.22
From Government					
In Rupees	E	**1,621.07**	1,291.34	**-**	-
		27,938.53	**20,123.17**	**4,577.23**	**4.37**
Total Unsecured Loans		**50,579.83**	48,434.28	**12,736.01**	4,236.77
TOTAL LONG-TERM BORROWINGS		**50,579.83**	**48,965.87**	**12,736.01**	**4,274.27**

* Current maturities are carried to Note - 21: Borrowings - Current

Unsecured Loans:

A. Repayment Schedule of Foreign Currency Bonds

Sl. No.	Particulars	Date of Issue	Date of Repayment
1	USD 900 Million Reg S Bonds	16 January 2019	Payable immediately after 5 years from the date of issue. Out of USD 900 million, USD 313.042 million has been bought back and payment made on 22 April 2022.
2	USD 500 million Reg S Bonds	1 August 2013	Payable immediately after 10 years from the date of issue
3	SGD 400 million Reg S Bonds	15 October 2012	On the same day, Cross Currency Swap amounting to USD 325.57 million entered. Payable immediately after 10 years from the date of issue.

B. Repayment Schedule of Rupee Bonds/ Debentures

Sl. No.	Particulars	Date of Allotment	Coupon Rate	Date of Redemption
1	Indian Oil 2029 (Series XIV) 30000 debenture of Face Value ₹ 10,00,000 each	22 October 2019	7.41% p.a. payable annually on 22 October	10 years from the deemed date of allotment i.e. 22 October 2029.
2	Indian Oil 2023 (Series XV) 20000 debenture of Face Value ₹ 10,00,000 each	14 January 2020	6.44% p.a. payable annually on 14 January	3 years and 3 months from the deemed date of allotment i.e. 14 April 2023.
3	Indian Oil 2025 (Series XVI) 29950 debenture of Face Value ₹ 10,00,000 each	6 March 2020	6.39% p.a. payable annually on 6 March	5 years from the deemed date of allotment i.e. 6 March 2025.
4	Indian Oil 2022 (Series XVII) 30000 debenture of Face Value ₹ 10,00,000 each	27 May 2020	5.05% p.a. payable annually on 27 May	2 years and 6 months from the deemed date of allotment i.e. 25 November 2022.
5	Indian Oil 2025 (Series XVIII) 16250 debenture of Face Value ₹ 10,00,000 each	3 August 2020	5.40% p.a. payable annually on 03 August	4 years, 8 months and 8 days from the deemed date of allotment i.e. 11 April 2025.

NOTES TO FINANCIAL STATEMENTS

NOTE - 16: LONG TERM BORROWINGS (Contd...)

Sl. No.	Particulars	Date of Allotment	Coupon Rate	Date of Redemption
6	Indian Oil 2025 (Series XIX) 20000 debenture of Face Value ₹ 10,00,000 each	20 October 2020	5.50% p.a. payable annually on 20 October	5 years from the deemed date of allotment i.e. 20 October 2025.
7	Indian Oil 2026 (Series XX) 12902 debenture of Face Value ₹ 10,00,000 each	25 January 2021	5.60% p.a. payable annually on 25 January	4 years, 11 months and 29 days from the deemed date of allotment i.e. 23 January 2026.
8	Indian Oil-2027 (Series XXI) 15000 debenture of Face Value ₹ 10,00,000 each	18 February 2022	6.14% p.a. payable annually on 18 February	5 years from the deemed date of allotment i.e. 18 February 2027

C. Repayment Schedule of Term loans from Banks/ Financial Institutions in Foreign Currency

Sl. No.	Particulars of Loans	Date of drawal	Date of Repayment
1	USD 300 Million Syndication loan	29 September 2017	Payable immediately after 5 years from the date of drawal
2	USD 300 Million Term Loan	19 June 2019	Payable immediately after 3 years from the date of drawal
3	USD 100 Million Term Loan	12 March 2021	Payable immediately after 3 years and 3 months from the date of drawal
4	USD 100 Million Term Loan - SBI	7 April 2021	
5	USD 100 Million Term Loan - SBI - GS	14 May 2021	
6	USD 500 Million Syndication loan	30 July 2021	Payable immediately after 5 years from the date of drawal
7	USD 125 Million Term Loan from BOB	3 November 2021	
8	USD 125 Million Term Loan from BOB	1 December 2021	
9	USD 330 Million ECB Loan from SBI London	30 December 2021	Payable immediately after 3 years from the date of drawal
10	USD 300 Million ECB Loan from SBI London	30 December 2021	Payable immediately after 4 years from the date of drawal
11	USD 250 Million ECB Loan from SBI London	30 December 2021	Payable immediately after 5 years from the date of drawal
12	USD 220 Million ECB Loan from SBI London	30 December 2021	Payable immediately after 5 years and 5 months from the date of drawal
13	USD 225 Million Syndication Loan from BOB NY	30 March 2022	Payable immediately after 1 year and 9 months from the date of drawal
14	USD 50 Million Syndication Loan from BOB NY	30 March 2022	
15	USD 25 Million Syndication Loan from BOB NY	30 March 2022	Payable immediately after 1 year and 11 months from the date of drawal
16	USD 300 Million Syndication Loan from BOB NY	30 March 2022	Payable immediately after 2 years and 6 months from the date of drawal

NOTES TO FINANCIAL STATEMENTS

NOTE - 16: LONG TERM BORROWINGS (Contd...)

D. Repayment Schedule of Term loans from Banks/ Financial Institutions in Rupees

Sl. No.	Particulars of Loans	Date of drawal	Date of Repayment
1	HDFC ₹ 1,500 crore Term Loan	20 March 2021	
2	HDFC ₹ 500 crore Term Loan	30 June 2021	Payable immediately after 3 years from the date of drawal
3	HDFC ₹ 500 crore Term Loan	22 July 2021	
4	HDFC ₹ 250 crore Term Loan	30 September 2021	
5	PNB ₹ 250 crore Term Loan	30 September 2021	Payable immediately after 35 months from drawal
6	PNB ₹ 750 crore Term Loan	6 November 2021	
7	HDFC ₹ 1,250 crore Term Loan	31 December 2021	Payable immediately after 3 years from the date of drawal
8	HDFC ₹ 500 crore Term Loan	31 March 2022	

E. Repayment Schedule of Unsecured Interest Free Loans from Govt of Odisha

Interest free loan given by Odisha government for 15 years is disbursed in quarterly instalment of ₹ 175 crore starting from 1 April 2016 repayble after 15 years. Total loan disbursed till now is ₹ 4,200 crore which is repayable after 15 years from the quarter for which the same is given i.e. in quarterly instalments starting from last week of June 2031 onwards. This loan being interest free loan is accounted at fair value and accordingly accounting for government grant is done.

NOTE - 17: OTHER FINANCIAL LIABILITIES

(At Amortised Cost unless otherwise stated)

(₹ in crore)

Particulars		Non Current		Current	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Liability for Capital Expenditure		-	-	**7,128.09**	5,782.32
Liability to Trusts and Other Funds		-	-	**192.28**	117.41
Employee Liabilities		-	-	**3,040.23**	2,484.00
Liability for Purchases on Agency Basis		-	-	**4,745.32**	2,277.29
Investor Education & Protection Fund to be credited on the due dates:					
- Unpaid Dividend		-	-	**46.66**	41.09
- Unpaid Matured Deposits		-	-	**0.01**	0.01
		-	-	**46.67**	41.10
Derivative Instruments at Fair Value		-	-	**307.81**	**252.65**
Security Deposits	A	**874.25**	847.49	**31,131.41**	29,639.11
Liability for Dividend		-	-	-	1,260.79
Others	B	**39.54**	-	**1,459.69**	1,783.78
TOTAL		**913.79**	847.49	**48,051.50**	43,638.45
A. LPG Deposits classified as current in line with industry practice and includes:					
1. Deposit received towards LPG connection issued under Pradhan Mantri Ujjawala Yojna (PMUY), Rajiv Gandhi Gramin LPG Vitrak Yojana (RGGLVY) and various other schemes of State Government/ Central Government of India. The deposits against these schemes have been funded from CSR fund and/or by State Government /Central Government of India		-	-	**6,945.17**	6,259.51
2. Deposit free LPG connections funded by Chennai Petroleum Corporation Limited.		-	-	**0.52**	0.52

B. The above includes liability towards Renewable Purchase Obligation amounting to ₹ 179.74 Crore (2021: ₹ 52.40 Crore), which is after adjustment of ₹ 471.77 Crore (2021: ₹ 248.20 Crore) towards Co-generation.

NOTES TO FINANCIAL STATEMENTS

NOTE - 18: PROVISIONS

(₹ in crore)

Particulars		Non Current		Current	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Provision for Employee Benefits		**899.95**	936.57	**119.89**	204.81
Decommissioning Liability	A	**7.86**	7.36	**2.31**	2.31
Contingencies for probable obligations	B	**-**	-	**11,602.45**	10,924.56
Less: Deposits		**-**	-	**2,330.38**	1,750.09
		-	**-**	**9,272.07**	**9,174.47**
TOTAL		**907.81**	**943.93**	**9,394.27**	**9,381.59**

A. In compliance of Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Assets", the required information are as under :

(₹ in crore)

Particulars	Opening Balance	Addition during the year	Utilization during the year	Reversals during the year	Unwinding of discount and changes in the discount rate	Closing Balance
Decommissioning Liability - E&P Blocks	9.67	0.47	-	-	0.03	10.17
Previous Year Total	7.71	3.20	-	1.40	0.16	9.67

B. In compliance of Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under :

(₹ in crore)

Particulars	Opening Balance	Addition during the year	Utilization during the year	Reversals during the year	Closing Balance*
Excise	15.50	-	-	-	15.5
Sales Tax/ GST	1,968.25	100.71	-	44.78	2,024.18
Entry Tax	5,611.76	-	-	-	5,611.76
Others	3,329.05	677.17	5.68	49.53	3,951.01
TOTAL	**10,924.56**	**777.88**	**5.68**	**94.31**	**11,602.45**
Previous Year Total	**10,810.59**	**785.80**	**434.37**	**237.46**	**10,924.56**

(₹ in crore)

Particulars	Addition includes	Reversal includes
- capitalized	2.51	-
- included in Raw Material	3.06	-
- included in Finance Cost	341.35	0.84
- included in Employee Benefit Expenses	250.39	-
- included in Other Expenses	161.81	1.33
- Amount transferred from Liabilities to Provisions	18.76	-

* Expected timing of outflow is not ascertainable at this stage, the matters being under dispute/ contingent.

NOTES TO FINANCIAL STATEMENTS

NOTE - 19: DEFERRED TAX LIABILITIES (NET)

(i) In compliance of Ind AS – 12 on "Income Taxes", the item wise details of Deferred Tax Liabilities (net) are as under:

(₹ in crore)

Particulars	As on 01.04.2021	Provided during the year in the Statement of Profit and Loss	Provided during the year in OCI (net)	Balance as on 31.03.2022
Deferred Tax Liability:				
Related to Plant, Property & Equipment	16,935.60	861.36	-	**17,796.96**
Total Deferred Tax Liability (A)	**16,935.60**	**861.36**	**-**	**17,796.96**
Deferred Tax Assets:				
Provision on Inventories, Trade Receivable, Loans and Advance, Investments	1,288.17	(77.13)	-	**1,211.04**
Compensation for Voluntary Retirement Scheme	1.01	0.23	-	**1.24**
43B/40 (a)(ia)/other Disallowances etc.	2,794.28	119.75	-	**2,914.03**
Fair Valuation of Equity Instruments	(126.76)	-	(65.23)	**(191.99)**
MTM on Hedging Instruments	(5.66)	-	(3.53)	**(9.19)**
Fair Value of Debt Instruments	(160.67)	-	42.10	**(118.57)**
Others	180.50	182.54	-	**363.04**
Total Deferred Tax Assets (B)	**3,970.87**	**225.39**	**(26.66)**	**4,169.60**
Deferred Tax Liability (net) (A-B)	**12,964.73**	**635.97**	**26.66**	**13,627.36**

(₹ in crore)

Particulars	As on 01.04.2020	Provided during the year in the Statement of Profit and Loss	Provided during the year in OCI (net)	Balance as on 31.03.2021
Deferred Tax Liability:				
Related to Plant, Property & Equipment	16,685.78	249.82	-	**16,935.60**
Total Deferred Tax Liability (A)	**16,685.78**	**249.82**	**-**	**16,935.60**
Deferred Tax Assets:				
Provision on Inventories, Trade Receivable, Loans and Advance, Investments	845.10	443.07	-	1,288.17
Compensation for Voluntary Retirement Scheme	3.50	(2.49)	-	1.01
43B/40 (a)(ia)/other Disallowances etc.	2,590.81	203.47	-	2,794.28
Carry Forward Business Losses/ Unabsorbed Depreciation	1,828.80	(1,828.80)	-	-
Fair Valuation of Equity Instruments	72.36	-	(199.12)	(126.76)
MTM on Hedging Instruments	(15.48)	-	9.82	(5.66)
Fair Value of Debt Instruments	(145.11)	-	(15.56)	(160.67)
Others	92.66	87.84	-	180.50
Total Deferred Tax Assets (B)	**5,272.64**	**(1,096.91)**	**(204.86)**	**3,970.87**
Deferred Tax Liability (net) (A-B)	**11,413.14**	**1,346.73**	**204.86**	**12,964.73**

Note: During FY 2020-21, on account of change in the tax liabilities pertaining to the past periods, MAT credit amounting to ₹ 228.15 crore out of previously written off MAT balance was recognised and utilized against such increased tax liability.

NOTES TO FINANCIAL STATEMENTS

NOTE - 19: DEFERRED TAX LIABILITIES (NET) (Contd...)

(ii) Reconciliation between the average effective tax rate and the applicable tax rate is as below :

Particulars	2021-22		2020-21	
	%	(₹ in crore)	%	(₹ in crore)
Profit Before Tax		**31,733.07**		**29,715.65**
Tax as per applicable Tax Rate	**25.168**	**7,986.58**	**25.168**	**7,478.83**
Tax effect of:				
Income that are not taxable in determining taxable profit	**(1.846)**	**(585.94)**	(1.051)	(312.34)
Expenses that are not deductible in determining taxable profit	**0.368**	**116.67**	0.496	147.46
Recognition of previously unrecognised allowance/ disallowances	**(0.025)**	**(7.78)**	(3.433)	(1,020.09)
Expenses/income related to prior years	**0.129**	**41.07**	5.345	1,588.23
Difference in tax due to income chargeable to tax at special rates	**(0.005)**	**(1.63)**	(0.008)	(2.48)
Average Effective Tax Rate/ Income Tax Expenses	**23.789**	**7,548.97**	**26.517**	**7,879.61**

NOTE - 20: OTHER LIABILITIES (NON FINANCIAL)

(₹ in crore)

Particulars	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Deferred Income	**2.98**	3.64	**0.72**	0.86
Government Grants (refer Note - 46)	**2,728.76**	2,265.19	**233.90**	201.21
Statutory Liabilities	**-**	-	**11,176.06**	10,745.81
Advances from Customers	**436.76**	306.74	**5,639.04**	4,404.71
Others A	**0.50**	0.53	**1,395.74**	1,133.13
TOTAL	**3,169.00**	**2,576.10**	**18,445.46**	**16,485.72**
A. Includes liability towards Fleet Customers			**1,116.08**	926.90

NOTE - 21: BORROWINGS - CURRENT

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
SECURED LOANS		
Loans Repayable on Demand		
From Banks/ Financial Institutions		
In Foreign Currency	**1,515.95**	-
In Rupee A		
Working Capital Demand Loan	**5,512.98**	7,822.63
Cash Credit	-	113.34
	7,028.93	**7,935.97**
From Others:		
Loans through Clearing Corporation of India Ltd. (CCIL) B	4,172.06	319.97
Current Maturities of Long-term Debt (Refer Note - 16)	-	37.50
Total Secured Loans	**11,200.99**	**8,293.44**
UNSECURED LOANS		

NOTES TO FINANCIAL STATEMENTS

NOTE - 21: BORROWINGS - CURRENT (Contd...)

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Loans Repayable on Demand		
From Banks/ Financial Institutions		
In Foreign Currency	**13,639.61**	11,080.47
In Rupee	**8,001.71**	8,905.58
	21,641.32	**19,986.05**
From Others		
Commercial Papers	**14,640.35**	12,930.87
Current Maturities of Long-term Debt (Refer Note - 16)	**12,736.01**	4,236.77
Total Unsecured Loans	**49,017.68**	**37,153.69**
TOTAL SHORT-TERM BORROWINGS	**60,218.67**	**45,447.13**

A. Against hypothecation by way of first pari passu charge on Raw Materials, Finished Goods, Stock-in Trade, Trade Receivables, Outstanding monies, Receivables, Claims, Contracts, Engagements to SBI and HDFC Banks. The quarterly returns of current assets filed by the company with banks or financial institutions are in agreement with the books of account.

B. Against pledging of the following to CCIL:		
Government Securities including OMC GOI Special Bonds (Refer Note 4)	**6,014.93**	2,655.00
Bank Guarantees	**1,650.00**	1,650.00

NOTE - 22: TRADE PAYABLES

(At amortised cost)

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Dues to Micro and Small Enterprises	**799.84**	547.01
Dues to Related Parties	**1,038.72**	1,014.06
Dues to Others A	**40,630.78**	32,029.62
TOTAL	**42,469.34**	**33,590.69**
A. Includes amount related to Micro and Small enterprises for which payment to be made to financial institutions in pursuance of bills discounted by them	**7.91**	0.65

Ageing of Trade Payables

(₹ in crore)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Current Year							
i) MSME*	251.20	368.95	178.57	0.01	-	-	798.73
ii) Others	1,876.18	36,351.21	2,858.40	10.89	11.96	3.83	41,112.47
iii) Disputed Dues – MSME*	-	1.11	-	-	-	-	1.11
iv) Disputed Dues – Others	220.78	123.38	52.05	22.21	0.18	138.43	557.03
Total	**2,348.16**	**36,844.65**	**3,089.02**	**33.11**	**12.14**	**142.26**	**42,469.34**
Previous Year							
i) MSME*	131.10	181.07	234.11	0.01	-	-	546.29
ii) Others	2,375.36	28,214.23	1,898.96	56.69	10.69	7.43	32,563.36
iii) Disputed Dues – MSME*	-	0.72	-	-	-	-	0.72
iv) Disputed Dues – Others	179.41	55.41	96.02	10.73	14.55	124.20	480.32
Total	**2,685.87**	**28,451.43**	**2,229.09**	**67.43**	**25.24**	**131.63**	**33,590.69**

* Micro and Small Enterprises in line with Note - 22: Trade Payables

Note: Generally, undisputed Trade Payables are settled on or before the due dates and amount outstanding beyond due dates are on account of pending compliance of Contractual/ Statutory requirement by Vendors.

NOTES TO FINANCIAL STATEMENTS

NOTE - 23: REVENUE FROM OPERATIONS

(₹ in crore)

Particulars		2021-2022	2020-2021
Sale of Products and Crude	A	**7,37,172.13**	5,20,749.66
Less: Discounts		**13,343.71**	10,204.13
Sales (Net of Discounts)		**7,23,828.42**	5,10,545.53
Sale of Services		**307.58**	301.37
Other Operating Revenues (Note "23.1")		**3,857.83**	3,076.48
		7,27,993.83	**5,13,923.38**
Net Claim/(Surrender) of SSC and Other Claims		**305.46**	891.49
Subsidy From Central/ State Governments		**160.65**	75.60
TOTAL		**7,28,459.94**	**5,14,890.47**

A. The MoPNG, vide letter dated 30.04.2020 had conveyed to Oil Marketing Companies (OMCs) that a) In case, the Market Determined Price (MDP) is higher than the Effective Cost to Customer (ECC), the difference shall be transferred to consumers account via Direct Benefit Transfer of LPG (DBTL) Scheme and b) In case, where MDP is less the ECC, the OMCs will retain the difference in a separate buffer account for future adjustment. However, as on March 31, 2022, the company had a negative buffer of ₹ 5048.09 Crore (after adjustment of uncompensated cost of ₹ 1893.22 Crore) as the retail selling price was less than MDP and accordingly the revenue from sale of LPG was reduced by this amount.

NOTE - 23.1: OTHER OPERATING REVENUES

(₹ in crore)

Particulars	2021-2022	2020-2021
Sale of Power and Water	**462.23**	253.77
Revenue from Construction Contracts	**7.49**	3.91
Unclaimed / Unspent liabilities written back	**127.56**	371.70
Provision for Doubtful Advances, Claims and Stores written back	**340.28**	9.41
Provision for Contingencies written back	**92.14**	227.65
Recoveries from Employees	**14.54**	13.32
Retail Outlet License Fees	**1,070.06**	998.91
Income from Non Fuel Business	**234.40**	132.45
Commission and Discount Received	**7.04**	7.01
Sale of Scrap	**397.94**	251.68
Income from Finance Leases	**0.28**	0.13
Amortization of Capital Grants	**25.96**	25.29
Revenue Grants	**188.92**	190.86
Terminalling Charges	**53.06**	56.48
Other Miscellaneous Income	**835.93**	533.91
TOTAL	**3,857.83**	**3,076.48**

Particulars relating to Revenue Grants are given in Note - 46.

NOTE - 24: OTHER INCOME

(₹ in crore)

Particulars		2021-2022	2020-2021
Interest on:	A		
Financial items:			
Deposits with Banks		**0.71**	6.41
Customers Outstandings		**416.37**	341.72
Oil Companies GOI SPL Bonds/ Other Investments		**1,098.84**	912.69
Other Financial Items		**338.33**	459.74
Total interest on Financial items		**1,854.25**	**1,720.56**
Non-Financial items		**14.42**	39.56
		1,868.67	**1,760.12**

NOTES TO FINANCIAL STATEMENTS

NOTE - 24 : OTHER INCOME (Contd...)

(₹ in crore)

Particulars		2021-2022	2020-2021
Dividend:	B		
From Related Parties		**1,265.09**	984.90
From Other Companies		**1,053.59**	256.13
		2,318.68	**1,241.03**
Profit on Sale of Investments (Net)		**-**	1.84
Profit on sale and disposal of Assets		**23.15**	-
Exchange Fluctuations (Net)		**-**	1,154.42
Gain on Derivatives		**68.00**	140.87
Fair value Gain on Financial instruments classified as FVTPL		**-**	205.56
Other Non Operating Income		**45.76**	46.88
TOTAL		**4,324.26**	4,550.72
A 1. Includes Tax Deducted at Source		**42.87**	8.55
A 2. Includes interest received under section 244A of the Income Tax Act.		**2.33**	24.15
A 3. Include interest on:			
Current Investments		**705.18**	638.32
Non-Current Investments		**393.66**	274.37
A 4. Total interest income (calculated using the effective interest method) for financial assets:			
In relation to Financial Assets classified at amortised cost		**755.41**	807.87
In relation to Financial Assets classified at FVOCI		**825.80**	832.42
In relation to Financial Assets classified at FVTPL		**273.04**	80.27
B.1 Dividend Income consists of Dividend on:			
Current Investments		**-**	1.69
Non-Current Investments		**2,318.68**	1,239.34
B.2. Dividend on Non Current Investments Includes Dividend from Subsidiaries		**902.85**	557.95
B.3. Includes Tax Deducted at Source		**141.58**	54.12

NOTE - 25: COST OF MATERIALS CONSUMED

(₹ in crore)

Particulars	2021-2022	2020-2021
Opening Stock	**28,064.32**	19,350.20
Add: Purchases	**3,06,799.08**	1,65,362.08
	3,34,863.40	**1,84,712.28**
Less: Closing Stock	**40,361.92**	28,064.32
TOTAL	**2,94,501.48**	**1,56,647.96**

NOTE - 26: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND STOCK IN PROCESS

(₹ in crore)

Particulars		2021-2022	2020-2021
Closing Stock			
Finished Products		**37,845.40**	30,652.95
Stock in Process		**9,746.98**	5,964.42
Stock- in - trade		**10,289.38**	9,067.37
		57,881.76	**45,684.74**
Less:			
Opening Stock			
Finished Products		**30,652.95**	27,074.48
Stock in Process		**5,964.42**	5,432.60
Stock - in - Trade		**9,067.37**	7,630.09
		45,684.74	**40,137.17**
NET INCREASE / (DECREASE)	A	**12,197.02**	**5,547.57**

NOTES TO FINANCIAL STATEMENTS

NOTE - 27: EMPLOYEE BENEFITS EXPENSE

(₹ in crore)

Particulars	2021-2022	2020-2021
Salaries, Wages, Bonus etc	**7,867.49**	8,156.65
Contribution to Provident & Other Funds	**1,674.12**	1,426.95
Voluntary Retirement Compensation	**2.90**	2.60
Staff Welfare Expenses	**1,447.19**	1,125.84
TOTAL	**10,991.70**	**10,712.04**

A. Excludes **₹ 438.84 crore** (2021: ₹ 421.12 crore) included in capital work in progress (construction period expenses - Note-2.2) / intangible assets under development (Note - 3.1) and **₹ 14.11 crore** (2021: ₹ 15.08 crore) included in CSR expenses (Note - 29.1).

B. Contribution to Provident & Other Funds includes **₹ 350.10 crore** (2021: ₹ 132.02 crore) towards Provident Fund contribution for interest shortfall/ losses on portfolio basis.

C. Disclosure in compliance with Indian Accounting Standard-19 on "Employee Benefits" is given in Note - 35.

NOTE - 28: FINANCE COSTS

(₹ in crore)

Particulars		2021-2022	2020-2021
Interest Payments on Financial items:			
Working Capital Loans:			
Bank Borrowings		**633.32**	540.54
Bonds/ Debentures		**513.58**	434.03
Others		**596.10**	787.52
		1,743.00	**1,762.09**
Other Loans:			
Bank Borrowings		**158.60**	133.26
Bonds/Debentures		**566.26**	564.58
Lease Obligations		**763.08**	765.92
		1,487.94	**1,463.76**
Unwinding of Discount		**113.54**	88.61
Others		**4.15**	6.17
		3,348.63	**3,320.63**
Interest Payments on Non Financial items:			
Unwinding of Discount		**0.10**	0.14
Others	A	**451.16**	581.15
		451.26	**581.29**
		3,799.89	**3,901.92**
Other Borrowing Cost	B	**16.44**	19.08
Applicable Net (Gain) / Loss on Foreign Currency Transactions and Translation	C	**1,012.77**	(827.08)
TOTAL		**4,829.10**	**3,093.92**
A. Mainly includes:			
Interest expenses u/s 234B and 234C of Income Tax Act		**88.75**	135.19
Interest on Kandla Port Trust Rental Liability		**159.88**	131.61
B. Mainly pertains to franking charges, service charges & other indirect expenses on borrowings.			
C. In FY 2020-21, adjustment carried out for the year's exchange gain to the extent of unrealised exchange losses treated as finance cost in earlier years in line with Ind AS 23.			
Total interest expense (calculated using the effective interest method) for financial liabilities that are not at fair value through profit or loss		**3,348.63**	3,320.63

NOTES TO FINANCIAL STATEMENTS

NOTE - 29: OTHER EXPENSES

(₹ in crore)

Particulars	2021-2022	2020-2021
Consumption:		
a) Stores, Spares and Consumables	**2,086.37**	1,717.88
b) Packages & Drum Sheets	**558.23**	421.30
	2,644.60	**2,139.18**
Power & Fuel	**31,995.65**	17,845.30
Less : Fuel from own production	**24,450.94**	13,485.22
	7,544.71	**4,360.08**
Throughput, Processing & Blending Fees, Royalty and Other Charges	**1,162.27**	1,020.26
Octroi, Other Levies and Irrecoverable taxes	**1,918.60**	1,566.81
Repairs and Maintenance		
i) Plant & Equipment	**3,778.12**	3,136.90
ii) Buildings	**354.88**	337.89
iii) Others	**570.19**	526.50
	4,703.19	**4,001.29**
Freight, Transportation Charges and Demurrage	**14,750.90**	14,459.14
Office Administration, Selling and Other Expenses (Note "29.1")	**8,937.30**	6,814.72
TOTAL	**41,661.57**	**34,361.48**
Less: Company's use of own Products and Crude	**1,152.27**	688.32
TOTAL (Net)	**40,509.30**	**33,673.16**

NOTE - 29.1: OFFICE, ADMINISTRATION, SELLING AND OTHER EXPENSES

(₹ in crore)

Particulars	2021-2022	2020-2021
Rent	**646.81**	600.32
Insurance	**316.60**	260.86
Rates & Taxes	**171.94**	144.19
Donation	**2.00**	1.00
Payment to Auditors		
As Auditors	**2.87**	2.18
For Taxation Matters	**0.53**	0.43
Other Services (for issuing other certificates etc.)	**1.58**	1.41
For reimbursement of expenses	**0.13**	0.14
	5.11	**4.16**
Travelling & Conveyance	**630.86**	470.71
Communication Expenses	**66.32**	59.00
Printing & Stationery	**38.17**	31.47
Electricity & Water	**387.17**	376.92
Bank Charges	**27.54**	30.06
Advance, Claims, CWIP, etc. written off	**11.46**	2.92
Provision/ Loss on Assets sold or written off (Net)	**-**	85.09
Technical Assistance Fees	**80.94**	103.45
Exchange Fluctuation (net)	**1,433.97**	-
Provision for Doubtful Advances, Claims, CWIP, Stores etc.	**170.21**	574.39

NOTES TO FINANCIAL STATEMENTS

NOTE - 29.1 : OFFICE, ADMINISTRATION, SELLING AND OTHER EXPENSES (Contd...)

(₹ in crore)

Particulars	2021-2022	2020-2021
Security Force Expenses	**883.46**	855.22
Sales Promotion Expenses (Including Commission)	**1,279.92**	339.07
Handling Expenses	**687.01**	611.52
Exploration & Production Cost	**61.56**	68.40
Fair value Loss on Financial instruments classified as FVTPL	**205.71**	-
Loss on Sale/ Write-off of Investments (Net)	**4.73**	-
Expenses on Construction Contracts	**6.64**	3.65
Expenses on CSR Activities (Refer Note - 45)	**323.14**	342.00
Training Expenses	**76.65**	59.15
Legal Expenses / Payment To Consultants	**212.33**	151.30
Notices and Announcement	**10.74**	9.73
Advertisement and Publicity	**36.83**	65.03
Pollution Control Expenses	**85.74**	108.60
Amortisation and Remeasurement of PMUY Assets	**587.97**	1,056.60
Miscellaneous Expenses	**485.77**	399.91
TOTAL	**8,937.30**	**6,814.72**

A. Includes ₹ **927.64 crore** (2021: NIL) towards cost of free hot plates and first refill against LPG connections provided during FY 2021-22 under PMUY (Ujjwala 2) scheme.

NOTE - 30: OTHER COMPREHENSIVE INCOME

(₹ in crore)

Particulars		2021-2022	2020-2021
Items that will not be reclassified to profit or loss:			
Remeasurement of Defined Benefit Plans	A	**(769.98)**	22.42
Fair value of Equity Instruments		**6,998.94**	4,668.51
		6,228.96	**4,690.93**
Income Tax relating to items that will not be reclassified to profit or loss:			
Remeasurement of Defined Benefit Plans		**193.79**	(5.64)
Fair value of Equity Instruments		**(65.23)**	(199.12)
		128.56	**(204.76)**
Items that will be reclassified to profit or loss:			
Fair value of Debt Instruments		**(167.12)**	97.24
Gain/(Loss) on Hedging Instruments		**36.52**	22.47
		(130.60)	**119.71**
Income Tax relating to items that will be reclassified to profit or loss:			
Fair value of Debt Instruments		**42.10**	(16.33)
Gain/(Loss) on Hedging Instruments		**(9.19)**	(5.66)
		32.91	**(21.99)**
TOTAL		**6,259.83**	**4,583.89**

A. Includes contribution in respect of services prior to 01.01.2007 of employees on-roll as on that date based on actuarial certificate (Refer Note 35).

NOTES TO FINANCIAL STATEMENTS

NOTE – 31: DISTRIBUTIONS MADE AND PROPOSED

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Cash Dividends on Equity Shares declared:		
Final Dividend		
Final Dividend during the current year for previous financial year: ₹ **1.50 per share** (2021: **NIL** per share for earlier financial year)	**1,377.16**	-
Interim Dividend		
Total Interim Dividend for current financial year: ₹ **9.00 per share** (2021: ₹ 10.50 per share).	**8,262.93**	9,640.09
Total	**9,640.09**	**9,640.09**
Proposed Dividend on Equity Shares		
Final proposed Dividend for current financial year: ₹ **3.60 per share** (2021: ₹ 1.50 per share)	**3,305.17**	**1,377.16**

Notes

1. 233118456 shares held under IOC Share Trust (Shareholder) of face value ₹ **233.12 crore** (2021: ₹ 233.12 crore) have been netted off from paid up capital. IOC Share Trust have waived its right to receive the Dividend w.e.f. March 02, 2020 and therefore dividend on shares held by IOC Share Trust was neither proposed in the last year nor during the current financial year.

2. The Company has also incurred expenses on distribution of final dividend amounting to ₹ **0.24 crore** (2021: ₹ Nil) and on distribution of interim Dividend amounting to ₹ **0.48 crore** (2021: ₹ 0.38 crore) which have been debited to equity.

3. The Board of Directors recommended issue of bonus equity shares in the ratio of one equity share of ₹ 10 each for every two equity shares of ₹ 10 each held, subject to approval by the members of the Company. The bonus shares, upon approval, will also be eligible for the final dividend. The Board of Directors also recommended the final dividend of ₹ 3.60 per equity share having face value of ₹ 10/- (pre-bonus), which translates into final dividend of ₹ 2.40 per equity share having face value of ₹ 10/- (post-bonus) for FY 2021-22, subject to approval by the members of the Company.

NOTE – 32: EARNINGS PER SHARE (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders by the weighted average number of Equity Shares outstanding during the year.

The following reflects the profit/ (loss) and number of shares used in the basic and diluted EPS computations:

Particulars	2021-22	2020-21
Profit/ (Loss) attributable to Equity holders (₹ in crore)	**24,184.10**	21,836.04
Weighted Average number of Equity Shares used for computing Earning Per Share (Basic)	**9181040466**	9181040466
Weighted Average number of Equity Shares used for computing Earning Per Share (Diluted)	**9181040466**	9181040466
Earnings Per Share (Basic) (₹)	**26.34**	23.78
Earnings Per Share (Diluted) (₹)	**26.34**	23.78
Face value per share (₹)	**10.00**	10.00

Note

1. 233118456 Equity Shares held under IOC Share Trust of face value ₹ **233.12 crore** have been excluded from weighted average number of Equity Shares and EPS is computed accordingly.

NOTES TO FINANCIAL STATEMENTS

NOTE – 33A: INTEREST IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The list of Investments in Subsidiaries, Joint Ventures and Associates are as under-

Name	Country of Incorporation/ Principal place of business	Equity Interest	
		March 31, 2022	March 31, 2021
Subsidiaries			
Chennai Petroleum Corporation Limited	India	**51.89%**	51.89%
IndianOil (Mauritius) Limited	Mauritius	**100.00%**	100.00%
Lanka IOC PLC	Sri Lanka	**75.12%**	75.12%
IOC Middle East FZE	UAE	**100.00%**	100.00%
IOC Sweden AB	Sweden	**100.00%**	100.00%
IOCL (USA) Inc.	USA	**100.00%**	100.00%
IndOil Global B.V.	Netherlands	**100.00%**	100.00%
IOCL Singapore Pte Limited	Singapore	**100.00%**	100.00%
Associates			
Petronet LNG Limited	India	**12.50%**	12.50%
AVI-OIL India Private Limited	India	**25.00%**	25.00%
Petronet India Limited @	India	**18.00%**	18.00%
Petronet VK Limited	India	**50.00%**	50.00%
Joint Ventures			
Indian Oiltanking Limited	India	**49.38%**	49.38%
Lubrizol India Private Limited	India	**26.00%**	26.00%
Indian Oil Petronas Private Limited	India	**50.00%**	50.00%
Green Gas Limited	India	**49.98%**	49.97%
IndianOil Skytanking Private Limited	India	**50.00%**	50.00%
Suntera Nigeria 205 Limited	Nigeria	**25.00%**	25.00%
Delhi Aviation Fuel Facility (Private) Limited	India	**37.00%**	37.00%
Indian Synthetic Rubber Private Limited	India	**50.00%**	50.00%
NPCIL IndianOil Nuclear Energy Corporation Limited	India	**26.00%**	26.00%
GSPL India Transco Limited	India	**26.00%**	26.00%
GSPL India Gasnet Limited	India	**26.00%**	26.00%
IndianOil Adani Gas Private Limited	India	**50.00%**	50.00%
Mumbai Aviation Fuel Farm Facility Private Limited	India	**25.00%**	25.00%
Kochi Salem Pipelines Private Limited	India	**50.00%**	50.00%
IndianOil LNG Private Limited	India	**45.00%**	50.00%
Petronet CI LTD @@	India	**26.00%**	26.00%
IndianOil Ruchi Bio Fuels LLP #	India	**50.00%**	50.00%
Hindustan Urvarak and Rasayan Limited	India	**29.67%**	29.67%
Ratnagiri Refinery & Petrochemicals Limited	India	**50.00%**	50.00%
Indradhanush Gas Grid Limited	India	**20.00%**	20.00%
IHB Limited	India	**50.00%**	50.00%

NOTES TO FINANCIAL STATEMENTS

NOTE – 33A : INTEREST IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Contd...)

Name	Country of Incorporation/ Principal place of business	Equity Interest	
		March 31, 2022	March 31, 2021
IndianOil Total Private Limited	India	**50.00%**	50.00%
IOC Phinergy Private Limited	India	**50.00%**	50.00%
Paradeep Plastic Park Limited ##	India	**49.00%**	-

@ Petronet India Limited is a JV amongst Indian Oil, BPCL, HPCL, RIL, NEL, IL&FS, SBI and ICICI. The company is under winding up and the matter is pending with Official Liquidator since 2018.

@@ Petronet CI Ltd. is a JV amongst Indian Oil, PIL, RIL, NEL and BPCL. The company is under winding up and the matter is pending with Official Liquidator since 2006.

Indian Oil has exited the Joint Venture, IndianOil Ruchi Biofuels LLP (M/s IORB) by giving notice of its exit from the LLP to the other JV partner viz. Ruchi Soya Industries Limited (M/s Ruchi) as well as to the LLP on December 26, 2018 stating that it will exit the LLP w.e.f. January 25, 2019. The time frame for completing exit formalities by M/s Ruchi by filing requisite forms with ROC was within 30 days of notice expiry period (i.e., by February 24, 2019) but the same is still pending and IndianOil name is appearing on ROC website as Partner in the said LLP. It has been informed that M/s Ruchi was under Corporate Insolvency Resolution Process and has been taken over by Patanjali Ayurveda Limited, and for the purpose of carrying out the process of liquidation, M/s. Sanatan has been inducted as the new partner in place of Indian Oil. All necessary documents have been provided to M/s Ruchi for completing formalities relating to exit of IndianOil from IORB LLP.

IndianOil has made equity contribution towards acquisition of 49% stake in Paradeep Plastic Park Limited during the month of January 2022.

Notes:

1. Ujjwala Plus Foundation is a joint venture of IOCL, BPCL and HPCL with fund contribution in the ratio of 50:25:25 which was incorporated as a company limited by guarantee (without share capital) under section 8 of Companies Act, 2013.

2. A subsidiary of the company, Indian Catalyst Private Limited has been dissolved and name has been struck off from the ROC's register on 25th October 2021.

NOTE – 33B: INTEREST IN JOINT OPERATIONS

Name Particulars		Principle place of Business	Proportion of Ownership Interest	
			March 31, 2022	March 31, 2021
E&P BLOCKS				
1) AA-ONN-2001/2	A	India	**20.00%**	20.00%
2) GK-OSN-2009/1	B	India	**25.00%**	25.00%
3) AAP-ON-94/1		India	**29.03%**	29.03%
4) AA/ONDSF/UMATARA/2018		India	**90.00%**	90.00%
5) BK-CBM-2001/1		India	**20.00%**	20.00%
6) NK-CBM-2001/1		India	**20.00%**	20.00%
7) FARSI BLOCK IRAN	C	Iran	**40.00%**	40.00%
8) SHAKTHI GABON		Gabon	**50.00%**	50.00%
9) AREA 95-96	D	Libya	**25.00%**	25.00%
10) RJ-ONHP-2017/8		India	**30.00%**	30.00%
11) AA-ONHP-2017/12		India	**20.00%**	20.00%

NOTES TO FINANCIAL STATEMENTS

NOTE - 33B : INTEREST IN JOINT OPERATIONS (Contd...)

A. Exploration License expired on October 7, 2015. Consortium has requested Directorate General of Hydrocarbon (DGH) for Appraisal phase, however vide letter dated March 6, 2019, it was opined to carry out Exploration activity instead of Appraisal work. Accordingly, Operator requested DGH for extension of exploration period. Response from DGH is awaited.

B. Appraisal period has expired on February 1,2022. Consortium had requested Directorate General of Hydrocarbon (DGH) for extension. Response from DGH is awaited.

C. The project 's exploration period ended on 24 June 2009. The contractual arrangement with respect to development of the block could not be finalized so far with Iranian Authorities.

D. Under Force Majeure since May 20, 2014

IOCL share of Financial position of Joint Operations are as under:

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Assets	**717.91**	**650.24**
PPE (including Producing Properties)	**141.28**	157.13
Capital Work in Progress	**340.91**	271.19
Intangible Asset under Development (Net of Provisions)	**205.23**	204.91
Other Assets (Net of Provisions)	**30.49**	17.01
Liabilities & Provisions	**122.32**	**122.38**
Liabilities	**112.15**	112.71
Provisions	**10.17**	9.67
Income	**126.39**	**101.08**
Sale of Products (Net of Own Consumption)	**126.68**	100.58
Other Income	**(0.29)**	0.50
Expenditure	**59.80**	**67.78**
Expenditure written off (incl exploration related)	**-**	45.64
Other Costs (incl exploration related)	**59.80**	22.14
Net Results	**66.59**	**33.30**
Commitments	**715.14**	**766.60**
Contingent Liabilities	**-**	**-**

Note: Including financial position of relinquished blocks.

NOTE – 34A: DISCLOSURE RELATING EXPLORATION AND PRODUCTION ACTIVITIES

In compliance of Ind-AS-106 on "Exploration and Evaluation of Mineral Resources", the disclosure of financial information relating to activity associated with the exploration for and evaluation of mineral resources (crude oil, natural gas etc.) are as under:

(₹ in crore)

Name	March 31, 2022	March 31, 2021
(i) Assets	**211.00**	**211.02**
- Intangible Assets under Development	**205.23**	204.91
- Capital Work in Progress	**0.70**	0.79
- Other Assets	**5.07**	5.32
(ii) Liabilities	**84.84**	**86.30**
- Provisions	**2.31**	2.31
- Other Liabilities	**82.53**	83.99
(iii) Income	**-**	**0.19**
- Other Income	**-**	0.19
(iv) Expenses	**27.89**	**68.71**
- Exploration expenditure written off	**-**	45.64
- Other exploration costs	**27.89**	23.07

NOTES TO FINANCIAL STATEMENTS

NOTE-34A: DISCLOSURE RELATING EXPLORATION AND PRODUCTION ACTIVITIES (Contd...)

(₹ in crore)

Name	March 31, 2022	March 31, 2021
(v) Cash Flow		
- Net Cash from/(used) in operating activities	**(29.10)**	**(35.85)**
- Net Cash from/(used) in investing activities	**(0.52)**	**(2.47)**

NOTE - 34B: IN COMPLIANCE OF REVISED GUIDANCE NOTE ON ACCOUNTING FOR OIL AND GAS PRODUCING ACTIVITIES, THE REQUIRED DISCLOSURES IN RESPECT OF RESERVES ARE AS UNDER:

Dirok field of Pre-NELP block AAP-ON-94/1 commenced production of gas and condensate on August 26, 2017 having producing life cycle of 20 years. Indian Oil has the participating interest of 29.03% in the block.

Net Proved Reserves of Crude Oil, Condensate, Natural Gas Liquids and Gas:

Assets		March 31, 2022		March 31, 2021	
		Crude Oil, Condensate, NGLs	Natural Gas	Crude Oil, Condensate, NGLs	Natural Gas
		TMT	Million Cubic Meter	TMT	Million Cubic Meter
A) Proved Reserves					
Assam AAP-ON-94/1	Beginning	**26.15**	**1030.54**	35.81	1137.21
	Addition	**-**	**-**	-	-
	Deduction	**-**	**-**	-	-
	Production	**8.42**	**100.64**	9.66	106.67
	Balance	**17.73**	**929.90**	**26.15**	**1030.54**
Total Proved Reserves		**17.73**	**929.90**	**26.15**	**1030.54**
B) Proved developed Reserves					
Assam AAP-ON-94/1	Beginning	**26.15**	**1030.54**	35.81	1137.21
	Addition	**-**	**-**	-	-
	Deduction	**-**	**-**	-	-
	Production	**8.42**	**100.64**	9.66	106.67
	Balance	**17.73**	**929.90**	**26.15**	**1030.54**
Total Proved developed Reserves		**17.73**	**929.90**	**26.15**	**1030.54**

Net Proved Reserves & Proved developed Reserves of Crude Oil, Condensate, Natural Gas Liquids and Gas on geographical Basis:

Details		March 31, 2022		March 31, 2021	
		Crude Oil, Condensate, NGLs	Natural Gas	Crude Oil, Condensate, NGLs	Natural Gas
		TMT	Million Cubic Meter	TMT	Million Cubic Meter
A) Proved Reserves					
India		**17.73**	**929.90**	26.15	1030.54
Total Proved Reserves		**17.73**	**929.90**	**26.15**	**1030.54**

NOTES TO FINANCIAL STATEMENTS

NOTE - 34B: IN COMPLIANCE OF REVISED GUIDANCE NOTE ON ACCOUNTING FOR OIL AND GAS PRODUCING ACTIVITIES, THE REQUIRED DISCLOSURES IN RESPECT OF RESERVES ARE AS UNDER: (Contd...)

Details		March 31, 2022		March 31, 2021	
		Crude Oil, Condensate, NGLs	Natural Gas	Crude Oil, Condensate, NGLs	Natural Gas
		TMT	Million Cubic Meter	TMT	Million Cubic Meter
B) Proved developed Reserves					
India		**17.73**	**929.90**	26.15	1030.54
Total Proved developed Reserves		**17.73**	**929.90**	**26.15**	**1030.54**

Frequency

The Proved and Proved & Developed reserves mentioned above are the provisional numbers based on the estimate provided by the operator. For the purpose of estimation of Proved and Proved Developed reserves, Deterministic method has been used by the operator. The annual revision of Reserve Estimates is based on the yearly exploratory and development activities and results thereof.

NOTE - 35 : EMPLOYEE BENEFITS

Disclosures in compliance with Ind-As 19 on "Employee Benefits" is as under:

A. Defined Contribution Plans- General Description

Employee Pension Scheme (EPS-95) *

During the year, the company has recognised **₹ 30.27 crore** (2021: ₹ 32.68 crore) as contribution to EPS-95 in the Statement of Profit and Loss/ CWIP (included in Contribution to Provident and Other Funds in Note - 27/ Construction period expenses in Note-2.2).

Pension Scheme *

During the year, the company has recognised **₹ 514.19 crore** (2021: ₹ 449.83 crore) towards Defined Contributory Employees Pension Scheme (including contribution in corporate National Pension System) in the Statement of Profit and Loss/ CWIP (included in Contribution to Provident and Other Funds in Note - 27/ Construction period expenses in Note-2.2).

B. Defined Benefit Plans- General Description

Provident Fund: *

The Company's contribution to the Provident Fund are remitted to the three separate provident fund trusts established for this purpose based on a fixed percentage of the eligible employee's salary and charged to the Statement of Profit and Loss. Shortfall of net income of trust below Government specified minimum rate of return, if any, and loss to the trust due to its investments turning stressed are being made good by the Company. Actuarial valuation was carried out in this regard and ₹ 350.10 crore (2021: ₹ 132.02 crore) has been provided by the company towards interest shortfall/ losses of PF trusts.

Gratuity: *

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount based on completed tenure of service subject to maximum of ₹ 0.20 crore at the time of separation from the company. Besides, the ceiling of gratuity increases by 25% whenever IDA rises by 50% with reference to January 01, 2017.

Post Retirement Medical Benefit Facility (PRMBF): *

PRMBF provides medical coverage to retired employees and their eligible dependant family members.

During the year, the Company has contributed ₹ 767.13 crore in respect of services prior to 01.01.2007 for employees on-roll as on that date based on actuarial certificate and as approved by Board. The contribution to the extent of ₹ 643.89 crore has been adjusted in Other Comprehensive Income against amount shown as recoverable advance towards PRMB trust in earlier years.

NOTES TO FINANCIAL STATEMENTS

NOTE - 35 : EMPLOYEE BENEFITS (Contd...)

Resettlement Benefit:

Resettlement benefit is allowed to employees to facilitate them to settle down upon retirement.

Ex gratia Scheme:

Ex-gratia is payable to those employees who have retired before January 01, 2007 and either not drawing pension from superannuation benefit fund (as they superannuated prior to January 01, 1987, i.e. introduction of superannuation benefit fund scheme in IndianOil) or are drawing a pension lower than the ex gratia fixed for a Grade (in such case differential amount between pension and ex gratia is paid).

Employees Compensation for injuries arising out of or during the course of employment:

Employees covered under the Employees' Compensation Act, 1923 who meet with accidents, while on duty, are eligible for compensation under the said Act. Besides, a lumpsum monetary compensation equivalent to 100 months' Pay (BP+DA) is paid in the event of an employee suffering death or permanent total disablement due to an accident arising out of and in the course of his employment.

Felicitation of Retired Employees:

The company has a scheme to felicitate retired employees on attaining different age milestones with a token lumpsum amount.

* As per the Guidelines of Department of Public Enterprises (DPE) on Pay Revision, the Company can contribute upto 30% of Basic Pay plus Dearness Allowance of its employees towards superannuation schemes comprising of Provident Fund, Gratuity, Post-Retirement Medical Benefits (PRMBF) and Pension. In this regard, the total charge to Statement of Profit and Loss/ Other Comprehensive Income (OCI) was earlier limited to 30% of Basic pay plus Dearness Allowance and balance amount funded was shown as recoverable advance from the company's contribution towards superannuation benefits including pension schemes. During the current year, these recoverable advances have been adjusted against the contribution for the year including additional contribution to PRMBF towards services prior to 01.01.2007.

C. Other Long-Term Employee Benefits - General Description

Leave Encashment:

Each employee is entitled to get 8 earned leaves for each completed quarter of service. Encashment of earned leaves is allowed during service leaving a minimum balance of 15 days subject to maximum accumulation of 300 days. In addition, each employee is entitled to get 5 sick leaves (in lieu of 10 Half Pay Leave) at the end of every six months. The entire accumulation of sick leave is permitted for encashment only at the time of retirement. DPE had clarified earlier that sick leave cannot be encashed, though Earned Leave (EL) and Half Pay Leave (HPL) could be considered for encashment on retirement subject to the overall limit of 300 days. Ministry of Petroleum and Natural Gas (MOP&NG) has advised the company to comply with the said DPE Guidelines. However, in compliance to the DPE guidelines of 1987 which had allowed framing of own leave rules within broad parameters laid down by the Government and keeping in view operational complications and service agreements the company had requested concerned authorities to reconsider the matter. Subsequently, based on the recommendation of the 3rd Pay Revision Committee, DPE in its guidelines on pay revision, effective from January 01, 2017 has inter-alia allowed CPSEs to frame their own leave rules considering operational necessities and subject to conditions set therein. The requisite conditions are fully met by the company.

Long Service Award:

On completion of specified period of service with the company and also at the time of retirement, employees are rewarded with amounts based on the length of service completed. It is a mode of recognizing long years of loyalty and faithful service in line with Bureau of Public Enterprises (currently DPE) advice vide its DO No. 7(3)/79-BPE (GM.I) dated February 14, 1983. On receipt of communication from MoPNG advising us that the issue of Long Service Award has been made into an audit para in the Annual Report of CAG of 2019, the Corporation has been clarifying its position to MoP&NG individually as well as on industry basis as to how Long Service Awards are not in the nature of Bonus or Ex-gratia or honorarium and is emanating from a settlement with the unions under the Industrial Dispute Act as well as with the approval of the Board in line with the DPE's advice of 1983. The matter is being pursued with MOP&NG for resolution. Pending this the provision is in line with Board approved policy.

The amount provided during the year on this account is **₹ 17.37 crore** (2021: ₹ 18.49 crore) and the payments made to employees during the year is **₹ 26.58 crore** (2021: ₹ 25.33 crore). The actuarial liability of ₹ 173.16 crore in this respect as on March 31, 2022 is included under "Provision for Employees Benefit" in "Note 18 – Provisions".

NOTES TO FINANCIAL STATEMENTS

NOTE - 35 : EMPLOYEE BENEFITS (Contd...)

Leave Fare Allowance (LFA) / Leave Travel Concession (LTC):

LFA/ LTC is allowed once in a period of two calendar years (viz. two yearly block).

D. The summarised position of various Defined Benefit Plans recognised in the Statement of Profit & Loss, Balance Sheet and Other Comprehensive Income are as under:

(Figures given in Unbold & Italic Font in the table are for previous year)

(i) Reconciliation of Balance of Defined Benefit Plans

(₹ in crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Defined Obligation at the beginning	**17,506.80**	**2,739.16**	**6,527.75**	**127.26**	**236.23**	**486.39**
	16,128.32	*2,777.24*	*5,897.04*	133.63	*246.72*	*444.67*
Current Service Cost	**490.17**	**47.72**	**273.35**	**18.37**	**-**	**2.02**
	505.09	*51.44*	*252.04*	*19.22*	-	*1.74*
Past Service Cost	**(262.26)**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Interest Cost	**1,377.51**	**189.00**	**451.07**	**8.78**	**14.95**	**33.61**
	1,345.15	*190.52*	401.59	9.17	14.90	30.37
Contribution by employees	**1,072.12**	**-**	**-**	**-**	**-**	**-**
	1,187.14	-	-	-	-	-
Net Liability transferred In / (Out)	**187.49**	**-**	**-**	**-**	**-**	**-**
	103.53	-	-	-	-	-
Benefits paid	**(2,301.87)**	**(299.09)**	**(275.53)**	**(8.33)**	**(36.40)**	**(16.63)**
	(1,894.45)	*(305.52)*	*(228.48)*	*(6.89)*	*(36.40)*	*(13.70)*
Actuarial (gain)/ loss on obligations	**-**	**(21.46)**	**68.56**	**(27.18)**	**40.58**	**(38.14)**
	132.02	25.48	205.56	*(27.87)*	*11.01*	*23.31*
Defined Benefit Obligation at the end of the year	**18,069.96**	**2,655.33**	**7,045.20**	**118.90**	**255.36**	**467.25**
	17,506.80	*2,739.16*	*6,527.75*	*127.26*	236.23	*486.39*

(ii) Reconciliation of balance of Fair Value of Plan Assets

(₹ in crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Fair Value of Plan Assets at the beginning of the year	**17,381.66**	**2,742.90**	**6,286.70**	**-**	**-**	**-**
	16,048.14	*2,344.86*	*5,352.41*	-	-	-
Interest Income	**1,377.51**	**189.26**	**434.41**	**-**	**-**	**-**
	1,345.15	*160.86*	*364.50*	-	-	-
Contribution by employer	**490.17**	**(3.77)**	**401.42**	**-**	**-**	**-**
	505.09	528.93	*746.56*	-	-	-
Contribution by employees	**1,072.12**	**-**	**1.24**	**-**	**-**	**-**
	1,187.14	-	*1.22*	-	-	-
Net Liability transferred In / (Out)	**187.49**	**-**	**-**	**-**	**-**	**-**
	103.53	-	-	-	-	-
Benefit paid	**(2,301.87)**	**(299.09)**	**(275.53)**	**-**	**-**	**-**
	(1,894.45)	*(305.52)*	*(228.48)*	-	-	-
Provision for NPA	**(612.36)**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS

NOTE - 35 : EMPLOYEE BENEFITS (Contd...)

(₹ in crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Expected Contribution for NPA	**612.36**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Re-measurement (Return on plan assets excluding Interest Income)	**160.34**	**19.27**	**77.56**	**-**	**-**	**-**
	87.06	*13.77*	*50.49*	-	-	-
Fair value of plan assets at the end of the year	**18,367.42**	**2,648.57**	**6,925.80**	**-**	**-**	**-**
	17,381.66	*2,742.90*	*6,286.70*	-	-	-

(iii) Reconciliation of Fair Value of Plan Assets and Defined Benefit Obligation

(₹ in crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Fair Value of Plan Assets at the end of the year	**18,367.42**	**2,648.57**	**6,925.80**	**-**	**-**	**-**
	17,381.66	*2,742.90*	6,286.70	-	-	-
Defined Benefit Obligation at the end of the year (Net of Interest Shortfall)	**18,069.96**	**2,655.33**	**7,045.20**	**118.90**	**255.36**	**467.25**
	17,244.54	*2,739.16*	*6,527.75*	127.26	236.23	486.39
Amount not recognised in the Balance Sheet (as per para 64 of Ind-As 19)	**297.46**	**-**	**-**	**-**	**-**	**-**
	137.12	-	-	-	-	-
Net Liability/ (Assets) recognised in the Balance Sheet	**-**	**6.76**	**119.40**	**118.90**	**255.36**	**467.25**
	262.26	*(3.74)*	*241.05*	*127.26*	*236.23*	*486.39*

(iv) Amount recognised in Statement of Profit and Loss/ Construction Period Expenses

(₹ in crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Current Service Cost	**490.17**	**47.72**	**273.35**	**18.37**	**-**	**2.02**
	505.09	51.44	252.04	19.22	-	1.74
Past Service Cost	**(262.26)**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Net Interest Cost	**-**	**(0.26)**	**16.66**	**8.78**	**14.95**	**33.61**
	-	*29.66*	*37.09*	*9.17*	*14.90*	*30.37*
Contribution by Employees	**-**	**-**	**(1.24)**	**-**	**-**	**-**
	-	-	*(1.22)*	-	-	-
Expected Contribution for NPA	**612.36**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Actuarial (gain)/ loss on obligations due to Future Interest Shortfall	**-**	**-**	**-**	**-**	**-**	**-**
	132.02	-	-	-	-	-
Expenses for the year	**840.27**	**47.46**	**288.77**	**27.15**	**14.95**	**35.63**
	637.11	*81.10*	*287.91*	28.39	14.90	*32.11*

NOTES TO FINANCIAL STATEMENTS

NOTE - 35 : EMPLOYEE BENEFITS (Contd...)

(v) Amount recognised in Other Comprehensive Income (OCI)

(₹ in crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Actuarial (gain)/ loss on Obligations - Due to change in Demographic assumptions	**-**	**(3.40)**	**(1.79)**	**1.71**	**-**	**(11.82)**
	-	-	653.45	-	5.05	69.18
Actuarial (gain)/ loss on Obligations - Due to change in Financial assumptions	**-**	**(87.52)**	**(562.39)**	**(7.28)**	**(6.39)**	**(24.09)**
	-	*(8.82)*	*(115.06)*	(0.73)	*(2.81)*	*(4.18)*
Actuarial (gain)/ loss on Obligations - Due to Experience	**-**	**69.46**	**632.74**	**(21.61)**	**46.97**	**(2.23)**
	-	*34.30*	*(332.83)*	*(27.14)*	8.77	(41.69)
Re-measurement (Return on plan assets excluding Interest Income)	**-**	**19.27**	**77.56**	**-**	**-**	**-**
	-	*13.77*	*50.49*	-	-	-
Amount recoverable from employee adjusted in OCI	**-**	**(200.56)**	**(643.89)**	**-**	**-**	**-**
	-	(13.68)	*209.33*	-	-	-
Net Loss / (Gain) recognized in OCI	**-**	**159.83**	**634.89**	**(27.18)**	**40.58**	**(38.14)**
	-	25.39	*(54.26)*	*(27.87)*	*11.01*	23.31

(vi) Major Actuarial Assumptions

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Discount rate	**7.27%**	**7.31%**	**7.40%**	**7.31%**	**6.96%**	**7.40%**
	6.90%	*6.90%*	*6.91%*	*6.90%*	*6.33%*	*6.91%*
Salary escalation	**-**	**8.00%**	**-**	**-**	**-**	**-**
	-	8.00%	-	-	-	-
Inflation	**-**	**-**	**8.00%**	**6.00%**		
	-	-	8.00%	*6.00%*		
Average Expected Future Service/ Obligation (Years)	**-**	**17**	**30**	**17**	**9**	**30**
	-	*16*	*30*	16	*9*	*30*
Mortality rate during employment	**-**	**Indian Assured Lives Mortality (2012-14) Urban**				
	-	*Indian Assured Lives Mortality (2006-08) Ult*				

In case of funded schemes above, expected return on plan assets is same as that of respective discount rate.

The estimate of future salary increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

NOTES TO FINANCIAL STATEMENTS

NOTE - 35 : EMPLOYEE BENEFITS (Contd...)

(vii) Sensitivity on Actuarial Assumptions:

(₹ in crore)

Loss / (Gain) for:	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Change in Discounting Rate						
Increase by 1%	**-**	**(250.30)**	**(292.72)**	**(15.11)**	**(9.45)**	**(42.61)**
	-	(202.94)	(986.91)	*(16.16)*	*(9.17)*	*(47.09)*
Decrease by 1%	**-**	**164.66**	**355.38**	**19.08**	**10.32**	**51.84**
	-	239.79	1,322.26	*20.45*	*10.03*	*57.68*
Change in Salary Escalation						
Increase by 1%	**-**	**(9.92)**	**-**	**-**	**-**	**-**
	-	57.41	-	-	-	-
Decrease by 1%	**-**	**(117.43)**	**-**	**-**	**-**	**-**
	-	(64.02)	-	-	-	-
Change in Inflation Rate						
Increase by 1%	**-**	**-**	**831.05**	**-**	**-**	**-**
	-	-	790.95	-	-	-
Decrease by 1%	**-**	**-**	**(677.28)**	**-**	**-**	**-**
	-	-	*(640.81)*	-	-	-

(viii) Investment details:

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Investment with Insurer	**-**	**99.60%**	**85.51%**
	-	*99.54%*	*88.07%*
Self managed investments	**100.00%**	**0.40%**	**14.49%**
	100.00%	*0.46%*	*11.93%*

Details of the investment pattern for the above mentioned funded obligations are as under:

	Provident Fund	Gratuity*	PRMS*
	Funded	Funded	Funded
Government Securities (Central & State)	**51.19%**	**55.57%**	**15.85%**
	50.77%	*42.84%*	21.22%
Investment in Equity / Mutual Funds	**7.97%**	**1.09%**	**16.66%**
	7.84%	*2.83%*	*0.00%*
Investment in Debentures / Securities	**38.30%**	**41.29%**	**67.49%**
	39.32%	*52.12%*	*78.20%*
Other approved investments (incl. Cash)	**2.54%**	**2.05%**	**0.00%**
	2.06%	2.21%	0.58%

* Pending receipt of investment pattern from LIC for current year, pattern above pertains to self managed funds & funds managed by other insurers and the actual investment pattern after considering the details from LIC shall vary.

NOTES TO FINANCIAL STATEMENTS

NOTE - 35 : EMPLOYEE BENEFITS FOR THE YEAR ENDED ON MARCH 31, 2022 (Contd...)

(ix) The following payments are expected projections to the defined benefit plan in future years:

(₹ in crore)

Cash Flow Projection from the Fund/ Employer	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
Within next 12 Months	**321.16**	**275.84**	**8.32**	**30.21**	**25.35**
	188.83	*235.73*	*8.38*	*36.74*	*22.89*
Between 1 to 5 Years	**943.21**	**1,186.18**	**26.19**	**94.49**	**109.88**
	1,117.71	*1,010.80*	*28.69*	*109.65*	*106.51*
Between 6 to 10 Years	**1,046.90**	**1,656.40**	**32.45**	**68.49**	**166.28**
	1,110.33	*1,391.30*	*34.38*	*72.48*	162.23

NOTE – 36: COMMITMENTS AND CONTINGENCIES

A. Leases

(a) As Lessee

The Company has entered into various material lease arrangements (including in substance lease arrangements) such as lands and buildings for the purpose of its plants, facilities, offices, retail outlet etc., storage tankages facility for storing petroleum products, time charter arrangements for coastal transportation of crude and petroleum products, transportation agreement for dedicated tank trucks for road transportation of petroleum products, handling arrangement with CFA for providing dedicated storage facility and handling lubes, supply of utilities like Hydrogen, Oxygen, Nitrogen and Water, and port facilities among others.

There are no significant sale and lease back transactions and lease agreements entered by the Company do not contain any material restrictions or covenants imposed by the lessor upto the current reporting period.

Details of significant leases entered by the Company (including in substance leases) are as under;

1. BOOT Agreement in respect of Tankages facility at Paradip for a period of 15 years. Lessor will transfer ownership to IOCL after 15 years at Nil value.
2. BOOT Agreement in respect of Water Intake facility at Paradip for a period of 25 years. Lessor will transfer ownership to IOCL after 25 years at ₹ 0.01 crore.
3. Leasehold lands from government for the purpose of plants, facilities and offices for the period 30 to 90 years.
4. Agreements with vessel owners for hiring of vessels for various tenures, these are classified as Transport Equipments.
5. BOO Agreement for supply of oxygen and nitrogen at Panipat Refinery. The land is owned by IOCL and the plant is being operated by contractor for supply of oxygen and nitrogen to IOCL.
6. BOO Agreement for leasing of Nitrogen & Hydrogen Plant at Paradip for 15 years.
7. BOOT Agreement for leasing of Quality Control Lab at Paradip for 10 years. Lessor will transfer the Assets after 10 years at ₹ 0.01 crore.
8. Arrangements with Adani Ports and Special Economic Zone Limited related to port facilities at Mundra for a period of 25 years and 11 months.
9. Arrangement for lease of land for operating Retail Outlets for sale of Petroleum products, setting up terminals/Bottling plant/Lube Blending plant for storing petroleum products/bottling LPG/Manufacturing Lubes respectively.
10. CFA handling arrangement with CFAs for providing dedicated storage facility for handling lubes.
11. Arrangements with Tank truck operators for providing dedicated tank trucks for transportation of company's petroleum products.
12. Arrangements for dedicated time charter vessels for coastal transportation of Company's petroleum products.
13. Arrangement for dedicated storage tanks for storing Company's petroleum products at various locations.
14. Arrangement for using hookup facilities for supply of gas to its city gas station in Rewa District with Reliance Gas Pipeline Limited for a period of 15 years.

NOTES TO FINANCIAL STATEMENTS

NOTE – 36: COMMITMENTS AND CONTINGENCIES (Contd...)

Amount Recognized in the Statement of Profit and Loss or Carrying Amount of another asset

(₹ in crore)

Particulars	2021-22		2020-21	
Depreciation recognized		**1,133.01**		1,200.38
Interest on lease liabilities		**792.79**		794.35
Expenses relating to short-term leases (leases more than 30 days but less than 12 months)*		**1,597.90**		1,829.44
Expenses relating to leases of low-value assets, excluding short-term leases of Low-value assets		**29.11**		13.56
Variable lease payments not included in the measurement of lease liabilities		**9,781.93**		8,955.04
Income from sub-leasing right-of-use assets				
- As Rental income from Operating Lease	**23.29**		22.64	
- As Finance income from Finance Lease of RoU Asset	**0.28**	**23.57**	0.13	22.77
Total cash outflow for leases		**3,056.14**		2,333.56
Additions to ROU during the year		**1,109.12**		1,438.97
Net Carrying Amount of ROU at the end the year		**9,325.12**		9,349.01
Others including Disputed, Leave & License, Reversal of excess liability of previous year, exchange fluctuation on lease liability etc.		**279.80**		172.92

*Includes Leases for which agreement are yet to be entered or due for renewal.

The details of ROU Asset included in PPE (Note 2) held as lessee by class of underlying asset (excluding those covered in Investment property) are presented below :-

2021-22

(₹ in crore)

Asset Class	Net Carrying value as at April 01, 2021	Net Additions to RoU Asset during the Year**	Depreciation Recognized During the Year	Net Carrying value as at March 31, 2022
Leasehold Land	4,358.89	(354.56)	83.94	**3,920.39**
Buildings Roads etc.	346.38	16.11	23.12	**339.37**
Plant & Equipment	3,636.08	(46.30)	219.29	**3,370.49**
Transport Equipments	1,007.56	1,493.84	806.57	**1,694.83**
Railway Sidings	0.10	0.03	0.09	**0.04**
Total	**9,349.01**	**1,109.12**	**1,133.01**	**9,325.12**

2020-21

(₹ in crore)

Asset Class	Net Carrying value as at April 1, 2020	Net Additions to RoU Asset during the Year**	Depreciation Recognized During the Year	Net Carrying value as at March 31, 2021
Leasehold Land	4,182.54	478.28	301.93	4,358.89
Buildings Roads etc.	94.62	281.77	30.01	346.38
Plant & Equipment	3,887.62	16.91	268.45	3,636.08
Transport Equipments	945.53	662.01	599.98	1,007.56
Railway Sidings	0.11	-	0.01	0.10
Total	**9,110.42**	**1,438.97**	**1,200.38**	**9,349.01**

** Additions to RoU Asset during the year is net of RoU Assets given on Sublease or modifications and cancellations during the year, if any. Further, it includes the impact of reclassification of site preparation cost to Building, Plant & Equipment etc in line with the EAC opinion (Refer Note-49). Its asset class wise details have been shown under Note 2: Property, Plant and Equipment.

NOTES TO FINANCIAL STATEMENTS

NOTE - 36 : COMMITMENTS AND CONTINGENCIES (Contd...)

As per requirement of the standard, maturity analysis of Lease Liabilities have been shown separately from the maturity analysis of other financial liabilities under **Liquidity Risk-Note 40: Financial Instruments & Risk Factors**.

Details of items of future cash outflows which the Company is exposed as lessee but are not reflected in the measurement of lease liabilities are as under;

(i) Variable Lease Payments

Variable lease payments that depend on an index or a rate are to be included in the measurement of lease liability although not paid at the commencement date. As per general industry practice, the Company incurs various variable lease payments which are not based any index or rate (variable based on kms covered or % of sales etc..) and are recognized in profit or loss and not included in the measurement of lease liability. Details of some of the arrangements entered by the Company which contain variable lease payments are as under;

1. Transportation arrangement based on number of kms covered for dedicated tank trucks with different operators for road transportation of petroleum, petrochemical and gas products.
2. Leases of Land of Retail Outlets based on Sales volume.
3. Rent for storage tanks for petroleum products on per day basis.
4. Payment of VTS software and VSAT equipment based on performance of equipment.

(ii) Extension and Termination Options

The Company lease arrangements includes extension options only to provide operational flexibility. Company assesses at every lease commencement whether it is reasonably certain to exercise the extension options and further reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control. However, where Company has the sole discretion to extend the contract such lease term is included for the purpose of calculation of lease liabilities.

The Company has the sole discretion to terminate the lease in case of lease agreement for Retail Outlets. However, Company is reasonably certain not to exercise the option in view of significant improvement and prominent importance of Retail to the entity's operations. Accordingly, such lease term without any effect of termination is considered for the purpose of calculation of lease liabilities.

(iii) Residual Value Guarantees

The Company have entered into various BOOT agreements wherein at the end of lease term the leased assets will be transferred to the company at Nominal value which has no significant impact on measurement of lease liabilities.

(iv) Committed leases which are yet to commence

1. The Company has entered into lease agreement on BOO basis for supply of oxygen and nitrogen gas to IOCL Ethylene Glycol Project at Paradip Refinery for a period of 20 years. IOCL has sub leased the land for the construction of the plant. Lease will commence once plant is commissioned.
2. The Company has entered into lease agreement for hiring of one time charter vessels for a period of 2 years to be commenced in the month of April 2022.
3. The Company has entered into lease agreement on BOO basis for supply of Hydrogen and Nitrogen gas to Barauni Refinery for a period of 20 years. IOCL has sub leased the land for the construction of the plant. Lease will commence once plant is commissioned.
4. The Company has paid Advance Upfront Premium of ₹ 71.89 crore to CIDCO for land for 3 Retail outlets at Mumbai for the period of 60 years. The agreement is yet to be executed and therefore the amount is lying as Capital Advance and shall form part of ROU Assets once lease is commenced.
5. The Company has paid Advance Upfront Premium of ₹ 13.42 crore to MSRDC for land for 6 Retail outlets at Aurangabad and Nagpur for the period of 30 years. The agreement is yet to be executed and therefore the amount is lying as Capital Advance and shall form part of ROU Assets once lease is commenced.

NOTES TO FINANCIAL STATEMENTS

NOTE–36: COMMITMENTS AND CONTINGENCIES (Contd...)

6. The Company has entered into lease agreement for sourcing e-locks from various vendors for a period of 3 years (with an option to extend at the option of IOCL) at rate ranging from ₹ 1050-1300/month and for 1 vendor ₹ 2450/ month. As at March 31, 2022, 6215 no's are yet to be supplied. However, the same are low value items.
7. The Company has entered into lease agreement with Andhra Pradesh State Civil Supplies for land for 1 Retail Outlet at Vizag for a period of 20 years at an monthly rental of ₹ 20000/- with an increment of 10% in every 3 years. The possession of land is not given and the matter is pending in the court.
8. The Company has entered into centralised lease agreement with M/s Trimble for rent payment of ₹ 373/month for VTS software for POL trucks customised to IOCL requirement for a period of 5 years. As at March 31, 2022 total 601 Nos are yet to be installed. However, payment is in the nature of variable lease payment.
9. The Company has entered into lease agreement with M/s Geovista, M/s Rosevmerta for VTS software of LPG trucks for a period of 5 years at a rental ranging from ₹ 103-300/month. As at March 31, 2022 lease a total of 5392 nos. of VTS are yet to be installed. However, payment is in the nature of variable lease payment.
10. The Company has amended the lease agreement entered with Adani Ports and Special Economic Zone Limited, for leasing 120 acres of additional developed land at Mundra Port, up to February 16, 2031, for storage facility. Lease will commence when the land is developed by the provider and the rights for same is transferred to IOCL.

(b) As Lessor

(i) Operating Lease

The lease rentals recognized as income in these statements as per the rentals stated in the respective agreements:

(₹ in crore)

Particulars	2021-22	2020-21
Lease rentals recognized as income during the year	**157.59**	105.33
- Variable Lease	**59.06**	48.52
- Others	**98.53**	56.81

These relate to Land/Buildings subleased for non fuel business, storage tankage facilities for petroleum products, Leave and License model, machinery and office equipments given on lease. Asset class wise details have been presented under Note 2: Property, Plant and Equipments.

Maturity Analysis of Undiscounted Lease Payments to be received after the reporting date

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Less than one year	**84.67**	61.53
One to two years	**73.86**	56.38
Two to three year	**70.96**	45.23
Three to four years	**44.03**	40.61
Four to five years	**2.86**	13.78
More than five years	**0.44**	1.22
Total	**276.82**	**218.75**

NOTES TO FINANCIAL STATEMENTS

NOTE-36: COMMITMENTS AND CONTINGENCIES (Contd...)

(ii) Finance Lease

The Company has entered into the following material finance lease arrangements:

(i) The Company has entered into Lease Agreement with Indian Railways in respect of BTPN Tank Wagons for a minimum period of 20 years. The lease rentals from the date of formation of rake are @ 16% for the first 10 years and thereafter at the nominal rate of 1% of the cost.

(ii) The Company has subleased Telematics Equipments to its Fleet Customers. IOCL has classified the sub lease as a finance lease, because the sub-lease is for the whole of the remaining term of the head lease.

(iii) The Company has entered into sublease arrangement of Office Space to PCRA for a period of 3 years. The same has been classified as finance lease as the sub-lease is for the whole of the remaining term of the head lease.

(iv) The Company has entered into arrangement with Chandigarh administration for subleasing LPG Godowns to LPG Distributors for a period of 15 years. The same has been classified as finance lease as the sub-lease is for the whole of the remaining term of the head lease.

(v) The Company has entered into a lease agreement with Indian Synthetic Rubber Private Limited in which the Company has leased out land for one time upfront payment of ₹ 16.65 crore

(vi) The Company has subleased certain Office Premises to IHB Limited.

Lease income from lease contracts in which the Company acts as a lessor is as below:-

(₹ in crore)

Particulars	2021-22	2020-21
Selling Profit & Loss	**0.58**	0.13
Finance income on the net investment in the lease	**0.28**	0.13

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Gross Investments in Finance Lease	**123.96**	120.51
Less: Unearned Finance Income	**0.12**	0.27
Less: Finance Income Received	**40.68**	40.36
Less: Minimum Lease payment received	**79.82**	75.82
Net Investment in Finance Lease as on Date	**3.34**	**4.06**
Opening Net Investment in Finance Lease	**4.06**	65.77
Add: New Leases added during the year	**3.08**	4.44
Less: PV of Minimum Lease payment received during the year	**3.80**	1.41
Less: Adjustment during the year	**-**	64.74
Closing Net Investment in Finance Lease	**3.34**	**4.06**

Maturity Analysis of Undiscounted Lease Payments to be received after the reporting date

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Less than one year	**2.61**	2.30
One to two years	**0.85**	1.55
Two to three year	**-**	0.48
Three to four years	**-**	-
Four to five years	**-**	-
More than five years	**-**	-
Total Undiscounted Lease Payment	**3.46**	**4.33**
Less: Unearned finance Income	**0.12**	0.27
Net Investment in Finance Lease as on date	**3.34**	**4.06**

NOTES TO FINANCIAL STATEMENTS

NOTE-36: COMMITMENTS AND CONTINGENCIES (Contd...)

B. Contingent Liabilities

B.1 Claims against the Company not acknowledged as debt

Claims against the Company not acknowledged as debt amounting to **₹ 8,441.64 crore** (2021: ₹ 8,069.65 crore) are as under:

B.1.1 **₹ 23.66 crore** (2021: ₹ 49.15 crore) being the demands raised by the Central Excise /Customs/ Service Tax Authorities including interest of **₹ 6.67 crore** (2021: ₹ 22.43 crore.)

B.1.2 **₹ 40.21 crore** (2021: ₹ 42.81 crore) in respect of demands for Entry Tax from State Governments including interest of **₹ 8.62 crore** (2021: ₹ 8.61 crore).

B.1.3 **₹ 1,839.5 crore** (2021: ₹ 2,033.87 crore) being the demands raised by the VAT/ Sales Tax Authorities including interest of **₹ 7,86.26 crore** (2021: ₹ 848.96 crore).

B.1.4 **₹ 2,266.47 crore** (2021: ₹ 1,812.86 crore) in respect of Income Tax demands including interest of **₹ 113.34 crore** (2021: ₹ 80.15 crore).

B.1.5 **₹ 3,893.39 crore** (2021: ₹ 3,837.68 crore) including **₹ 3,306.36 crore** (2021: ₹ 3,150.9 crore) on account of Projects for which suits have been filed in the Courts or cases are lying with Arbitrator. This includes interest of **₹ 86.59 crore** (2021: ₹ 110.53 crore).

B.1.6 **₹ 378.41 crore** (2021: ₹ 293.28 crore) in respect of other claims including interest of **₹ 41.44 crore** (2021: ₹ 25.22 crore).

The Company has not considered those disputed demands/claims as contingent liabilities, for which, the outflow of resources has been considered as remote. Contingent liabilities in respect of joint operations are disclosed in Note 33B.

B.2 Guarantees excluding Financial Guarantees

B.2.1 The Company has issued Corporate Guarantee in favour of three beneficiaries i.e. Bolivarian Republic of Venezuela (Republic), The Corporation Venezolana del Petroleo S.A. and PeTroCarabobo S.A., on behalf of Indoil Netherlands B.V., Netherlands (an associate Company) to fulfill the associate Company's future obligations of payment of signature bonus / equity contribution / loan to the beneficiaries. The total amount sanctioned by the Board of Directors is USD 424 million. The estimated amount of such obligation (net of amount paid) is **₹ 2,776.77 crore** - **USD 366.34 million** (2021: ₹ 2,678.71 crore – USD 366.37 million).

B.2.2 The Company has entered into Master Guarantee Agreement, on behalf of its subsidiaries viz. Indoil Global B.V. and Indoil Montney Ltd. for all of its payments and performance obligations under the various Project Agreements entered by the subsidiaries with PETRONAS Carigali Canada B.V. and Progress Energy Canada Ltd. (now renamed as Petronas Energy Canada Ltd.). The total amount sanctioned by the Board of Directors is CAD 3,924.76 million. The estimated amount of such obligation (net of amount paid) is **₹ 4,336.93 crore** – **CAD 716.83 million** (2021: ₹ 4,332.44 crore - CAD 746.55 million). The sanctioned amount was reduced by CAD 1,462.00 million due to winding down of LNG Plant during 2017.

B.2.3 The Company has issued Corporate Guarantee, on behalf of IndianOil Adani Gas Private Limited (IOAGPL), to the extent of obligations of later company under Performance Bank Guarantee facility provided to IOAGPL by State Bank of India, Canara Bank, Bank of Baroda, Indian Bank, IndusInd Bank, Jammu and Kashmir Bank, Axis Bank and ICICI Bank. The Company's share of such obligation is estimated at **₹ 3,533.46 crore** (2021: ₹ 3,533.46 crore).

B.2.4 The Company has issued Parent Company Guarantee in favor of Abu Dabhi National Oil Company, on behalf of Urja Bharat Pte. Ltd., Singapore (a joint venture company of Company's subsidiary i.e. IOCL Singapore Pte Ltd) to fulfill the joint venture Company's future obligations of payment and performance of Minimum Work Programme. The total amount sanctioned by the Board of Directors is USD 89.7 Million. The estimated amount of such obligation (net of amount paid) is **₹ 395.66 crore** - **USD 52.20 million** (2021: ₹ 418.22 crore - USD 57.20 million).

NOTES TO FINANCIAL STATEMENTS

NOTE–36: COMMITMENTS AND CONTINGENCIES (Contd...)

B.3 Other money for which the Company is Contingently Liable

B.3.1 Pending decision of the Government, no liability could be determined and provided for in respect of additional compensation, if any, payable to the land owners and the Government for certain lands acquired.

B.3.2 As on 31.03.2022 company has contingent liability of **₹ 236.85 crore** (2021: Nil) towards custom duty for capital goods imported under Manufacturing & Other operation in Warehouse Regulation (MOOWR) scheme against which company has executed and utilised bond amounting to **₹ 710.54 crore** (2021: Nil) which represents three times of the custom duty. The firm liability towards such custom duty shall be contingent upon conditions (Rate of custom duty/decision of company to export, etc) at the time of filing of ex-bond bill of entry at the time of disposal.

C. Commitments

C.1 Capital Commitments

Estimated amount of contracts remaining to be executed on Capital Account and thus not provided for is **₹ 53,030.96 crore** (2021: ₹ 30,538.25 crore) inclusive of taxes.

C.2 Other Commitments

Estimated amount of commitments in respect of CY-ONHP-2018/1 block is **₹ 146.83 crore** (2021: ₹ 141.64 crore). Commitments in respect of Joint Operations are disclosed in Note 33B.

D. Contingent assets

(₹ in crore)

Particulars		March 31, 2022	March 31, 2021
a In respect of M/s Khazana Projects and Industries (P) Ltd. for the amount of risk & cost claim along with 15% supervision charges admitted by the Arbitrator in favour of the Company.	A	-	3.85
b In respect of M/s Metro Builders for the amount of risk & cost claim along with 15% supervision charges, price discount and interest admitted by the Arbitrator in favour of the Company.	A	-	7.16
c In respect of interest claim		19.50	-
Total		**19.50**	**11.01**

A. The disclosure as a contingent asset has been discontinued, based on reassessment of the realisablity of this claim in the current year.

NOTE – 37: RELATED PARTY DISCLOSURES

As required by Ind-AS -24 "Related Party Disclosures", are given below :

1. Relationship with Entities

A. Details of Subsidiary Companies/ Entities and their Subsidiaries:

1) Chennai Petroleum Corporation Limited
2) IndianOil (Mauritius) Limited
3) Lanka IOC PLC
4) IOC Middle East FZE
5) Indian Catalyst Private Limited#
6) IOC Sweden AB
7) IOCL (USA) INC.
8) IndOil Global B.V., Netherlands
9) IOCL Singapore Pte. Limited
10) IndOil Montney Limited
11) IOC Cyprus Limited##
12) IOCL Exploration and Production Oman Limited

Company dissolved and name of the company has been struck off from the ROC's Register on 25th October 2021

Company dissolved on 14th December 2020 and name of the company has been struck off on 22nd July 2021

NOTES TO FINANCIAL STATEMENTS

NOTE – 37: RELATED PARTY DISCLOSURES (Contd...)

B. The following transactions were carried out with Subsidiary Companies/Entities in the ordinary course of business:

(₹ in crore)

	March 31, 2022	March 31, 2021
1 Sales of Products/ Services	**2,471.97**	1,660.29
[Includes sales to Chennai Petroleum Corporation Limited **₹ 2,318.72 crore** (2021: ₹ 1,447.50 crore)]		
2 Interest received	**0.01**	-
[Includes interest received from Lanka IOC PLC **₹ 0.01 crore** (2021:Nil)]		
3 Other Operating Revenue / Other Income	**1,012.20**	606.08
[Includes Other Operating Revenue / Other Income from IOCL Singapore Pte. Limited **₹ 757.99 crore** (2021: ₹ 297.69 crore) and IndOil Global B.V., Netherlands **₹ 109.50 crore** (2021: ₹ 234.12 crore)]		
4 Purchase of Products	**55,665.94**	38,964.08
[Includes Purchase of Products from Chennai Petroleum Corporation Limited **₹ 55,665.94 crore** (2021: ₹ 38,964.08 crore)]		
5 Purchase of Raw Materials/ Others	**1,538.01**	1,556.66
[Includes Purchase of Raw Materials/Others from Chennai Petroleum Corporation Limited **₹ 1,537.65 crore** (2021: ₹ 859.58 crore) and IndOil Global B.V., Netherlands **₹ 0.36 crore** (2021: ₹ 694.57 crore)]		
6 Expenses Paid/ (Recovered) (Net)	**(9.44)**	(12.22)
[Includes Expenses Paid to/(Recovered) from Chennai Petroleum Corporation Limited **₹ (10.11) crore** (2021: ₹ (15.46) crore) and Lanka IOC PLC **₹ 0.56 crore** (2021: ₹ 2.09 crore)]		
7 Investments made/ (sold) during the year (Incl Advance for Investment)	**1,877.73**	(5.32)
[Includes Investment made/ (reduction in share capital) in Indian Catalyst Private Limited- **Nil** (2021: ₹ (6.45) crore), IOCL Singapore Pte. Limited **₹ 1,876.52 crore** (2021:Nil) and IOC Sweden AB **₹ 1.21 crore** (2021: ₹ 1.13 crore)]		
8 Purchase/ (Sale)/ Acquisition of Fixed Assets (Incl. CWIP/ Leases)	**20.55**	19.96
[Includes Purchase/ (Sale)/ Acquisition of Fixed Assets incl. CWIP/ Leases from Chennai Petroleum Corporation Limited **₹ 20.55 crore** (2021: ₹ 19.96 crore)]		
9 Provisions made/ (write back) during the year	**285.60**	68.13
[Includes Provision made/ (written back) in IOC Sweden AB **₹ 290.33 crore** (2021:Nil) and IOCL (USA) INC.- **Nil** (2021: ₹ 68.12 crore)]		
10 Outstanding Receivables/ Loans	**1,955.04**	1,169.88
[Includes Outstanding Receivables from Chennai Petroleum Corporation Limited **₹ 1,893.58 crore** (2021: ₹ 1,083.35 crore)]		
11 Outstanding Payables (Incl Lease Obligation)	**445.97**	386.74
[Includes Outstanding payable to Chennai Petroleum Corporation Limited **₹ 420.01 crore** (2021: ₹ 348.51 crore)]		
12 Investments in Subsidiaries as on date	**16,596.86**	15,010.13
13 Guarantees		
Financial Guarantees	**3,536.19**	5,270.99
[Includes Financial Guarantees given to IndOil Montney Limited **₹ 3,536.19 crore** (2021: ₹ 3,369.92 crore) and IOCL Singapore Pte. Limited- **Nil** (2021: ₹ 1,901.07 crore)]		
Other than Financial Guarantees	**4,336.93**	4,332.44
[Includes Parent Company Guarantees for other than debt obligation given to IndOil Montney Limited **₹ 4,336.93 crore** (2021: ₹ 4,332.44 crore)]		

Notes:

1) Transactions in excess of 10% of the total related party transactions for each type has been disclosed above.
2) In case of Subsidiary Companies constituted/acquired during the year, transactions w.e.f. date of constitution / acquisition are disclosed.
3) In case of Subsidiary Companies which have been closed/divested during the year, transactions up to the date of closure / disinvestment only are disclosed.

NOTES TO FINANCIAL STATEMENTS

NOTE - 37 : RELATED PARTY DISCLOSURES (Contd...)

2. Relationship with Entities

A) Details of Joint Ventures (JV) / Associate Entities to IOCL & its subsidiaries

1) Indian Oiltanking Limited
2) Lubrizol India Private Limited
3) Petronet VK Limited
4) IndianOil Petronas Private Limited
5) Avi-Oil India Private Limited
6) Petronet India Limited *
7) Petronet LNG Limited
8) Green Gas Limited
9) Petronet CI Limited @
10) IndianOil LNG Private Limited
11) IndianOil SkyTanking Private Limited
12) Suntera Nigeria 205 Limited
13) Delhi Aviation Fuel Facility Private Limited
14) Indian Synthetic Rubber Private Limited
15) Indian Oil Ruchi Biofuels LLP #
16) NPCIL- IndianOil Nuclear Energy Corporation Limited
17) GSPL India Transco Limited
18) GSPL India Gasnet Limited
19) IndianOil - Adani Gas Private Limited
20) Mumbai Aviation Fuel Farm Facility Private Limited
21) Kochi Salem Pipeline Private Limited
22) Hindustan Urvarak & Rasayan Limited
23) Ratnagiri Refinery & Petrochemicals Limited
24) Indradhanush Gas Grid Limited
25) Ujjwala Plus Foundation
26) IHB Limited
27) IndianOil Total Private Limited
28) IOC Phinergy Private Limited
29) Paradeep Plastic Park Limited ##
30) Indian Additives Limited
31) National Aromatics & Petrochemicals Corporation Limited
32) Taas India PTE Limited
33) Vankor India PTE Limited
34) Ceylon Petroleum Storage Terminals Limited
35) Falcon Oil & Gas B.V.
36) Urja Bharat PTE Limited
37) Beximco IOC Petroleum and Energy Limited
38) INDOIL Netherlands B.V.
39) LLC Bharat Energy Office (Incorporated on 18.10.2021)
40) Trinco Petroleum Terminal (Private) Limited (Incorporated on 24.12.2021)
41) Mer Rouge Oil Storage Terminal Limited

B) Details of Subsidiaries to JV's of IOCL

1) IOT Engineering & Construction Services Limited
2) Stewarts and Lloyds of India Limited
3) IOT Infrastructures Private Limited
4) IOT Utkal Energy Services Limited
5) PT IOT EPC Indonesia
6) IOT Engineering Projects Limited
7) JSC KazakhstanCaspishelf
8) Indian Oiltanking Engineering & Construction Services LLC Oman
9) IOT VITO MUHENDISLIK INSAAT VE TAAHUT A.S.
10) IndianOil Skytanking Delhi Private Limited
11) IOT Biogas Private Limited
12) Petronet LNG Foundation
13) Petronet Energy Limited
14) KazakhstanCaspishelf India Private Limited
15) Petronet LNG Singapore PTE. Limited (Incorporated on 07.03.2022)

* Petronet India Limited is a JV amongst Indian Oil, BPCL, HPCL, RIL, NEL, IL&FS, SBI and ICICI. The company is under winding up and the matter is pending with Official Liquidator since 2018.

@ Petronet CI Ltd. is a JV amongst Indian Oil, PIL, RIL, NEL and BPCL. The company is under winding up and the matter is pending with Official Liquidator since 2006.

IndianOil has exited the Joint Venture, IndianOil Ruchi Biofuels LLP (M/s IORB) by giving notice of its exit from the LLP to the other JV partner viz. Ruchi Soya Industries Limited (M/s Ruchi) as well as to the LLP on December 26, 2018 stating that it will exit the LLP w.e.f. January 25, 2019. The time frame for completing exit formalities by M/s Ruchi by filing requisite forms with ROC was within 30 days of notice expiry period (i.e., by February 24, 2019) but the same is still pending and IndianOil name is appearing on ROC website as Partner in the said LLP. It has been informed that M/s Ruchi was under Corporate Insolvency Resolution Process and has been taken over by Patanjali Ayurveda Limited, and for the purpose of carrying out the process of liquidation, M/s Sanatan has been inducted as the new partner in place of Indian Oil. All necessary documents have been provided to M/s Ruchi for completing formalities relating to exit of IndianOil from IORB LLP.

IndianOil has made equity contribution towards acquisition of 49% stake in Paradeep Plastic Park Limited during the month of January 2022.

NOTES TO FINANCIAL STATEMENTS

NOTE - 37 : RELATED PARTY DISCLOSURES (Contd...)

C) The following transactions were carried out with the related parties in the ordinary course of business:

(₹ in crore)

	March 31, 2022	March 31, 2021
1 Sales of Products / Services	**3,602.87**	1,992.70
[Includes sales to IndianOil Petronas Private Limited ₹ **2,422.77 crore** (2021: ₹ 1,325.16 crore) and Indian Synthetic Rubber Private Limited ₹ **698.88 crore** (2021: ₹ 322.55 crore)]		
2 Interest received	**280.97**	93.17
[Includes interest received from IndianOil LNG Private Limited ₹ **273.04 crore** (2021: ₹ 81.88 crore) and Petronet VK Limited ₹ **6.94 crore** (2021: ₹ 9.64 crore)]		
3 Other Operating Revenue/ Other Income	**565.19**	528.79
[Includes Other Operating Revenue / Other Income from Petronet LNG Limited ₹ **202.61 crore** (2021: ₹ 287.33 crore), IndianOil Petronas Private Limited ₹ **148.15 crore** (2021: ₹ 141.52 crore) and Indian Synthetic Rubber Private Limited ₹ **145.32 crore** (2021: ₹ 57.19 crore)]		
4 Purchase of Products	**8,177.66**	4,474.71
[Includes Purchase of Products from Petronet LNG Limited ₹ **7,344.38 crore** (2021: ₹ 3,963.39 crore)]		
5 Purchase of Raw Materials/ Others	**7,325.55**	3,980.99
[Includes Purchase of Raw Materials/Others from Petronet LNG Limited ₹ **4,755.41 crore** (2021: ₹ 3,638.75 crore) and Falcon Oil & Gas B.V. ₹ **2,156.52 crore** (2021:Nil)]		
6 Interest paid	**229.62**	249.97
[Includes Interest paid to IOT Utkal Energy Services Limited ₹ **229.62 crore** (2021: ₹ 249.97 crore)]		
7 Expenses Paid/ (Recovered) (Net)	**774.29**	686.22
[Includes Expenses Paid to/ (Recovered) from IndianOil Petronas Private Limited ₹ **379.21 crore** (2021: ₹ 355.17 crore), IndianOil Sky Tanking Private Limited ₹ **162.86 crore** (2021: ₹ 141.42 crore) and Indian Oiltanking Ltd ₹ **106.61 crore** (2021: ₹ 110.15 crore)]		
8 Investments made/ (sold) during the year (Incl. Advance for Investment)	**1,901.05**	4,629.97
[Includes Investment made in IndianOil LNG Private Limited **Nil** (2021: ₹ 3,012.00 crore), IHB Limited ₹ **700.00 crore** (2021: ₹ 776.50 crore), Hindustan Urvarak and Rasayan Limited ₹ **497.65 crore** (2021: ₹ 380.68 crore), Kochi Salem Pipelines Private Limited ₹ **267.50 crore** (2021: ₹ 50.00 crore)and Indian Oil Adani Gas Private Limited ₹ **198.94 crore** (2021: ₹ 163.88 crore)]		
9 Purchase/(Sale)/Acquisition of Fixed Assets (Incl. CWIP/ Leases)	**(2.05)**	(1.56)
[Includes Purchase/ (Sale)/ Acquisition/ (Recovered) of Fixed Assets incl. CWIP/ Leases from IHB Limited ₹ **(2.06) crore** (2021: ₹ (1.34) crore) and IOT Engineering & Construction Services Limited- **Nil** (2021: ₹ (0.28) crore)]		
10 Provisions made/ (write back) during the year	**144.19**	5.93
[Includes Provision made / (written back) in INDOIL Netherlands B.V.- **Nil** (2021: ₹ 7.03 crore), Petronet VK Limited ₹ **110.90 crore** (2021:Nil) and GSPL India Transco Limited ₹ **33.29 crore** (2021:Nil)]		

NOTES TO FINANCIAL STATEMENTS

NOTE - 37 : RELATED PARTY DISCLOSURES (Contd...)

(₹ in crore)

	March 31, 2022	March 31, 2021
11 Outstanding Receivables/ Loans	**1,846.50**	1,381.09
[Includes Outstanding Receivables/ Loans from IndianOil LNG Private Limited **₹ 826.53 crore** (2021: ₹ 500.66 crore), Petronet LNG Limited **₹ 273.62 crore** (2021: ₹ 297.15 crore), Suntera Nigeria 205 Limited **₹ 164.04 crore** (2021: ₹ 158.23 crore) and Indian Synthetic Rubber Private Limited **₹ 207.63 crore** (2021: ₹ 99.19 crore)]		
12 Outstanding Payables (Incl. Lease Obligation)	**2,930.74**	3,149.20
[Includes Outstanding payable to IOT Utkal Energy Services Limited **₹ 2,137.88 crore** (2021: ₹ 2,321.57 crore) and Petronet LNG Limited **₹ 612.67 crore** (2021: ₹ 533.88 crore)]		
13 Investments in JV/ Associates as on date	**9,521.37**	8,656.54
14 Guarantees		
Financial Guarantees	**134.54**	217.51
[Includes Financial Guarantees given to Indian Synthetic Rubber Private Limited **₹ 134.54 crore** (2021: ₹ 217.51 crore)]		
Other than Financial Guarantees	**6,705.89**	6,630.39
[Includes Parent Company Guarantees for other than debt obligation given to IndianOil Adani Gas Private Limited **₹ 3,533.46 crore** (2021: ₹ 3,533.46 crore) and INDOIL Netherlands B.V. **₹ 2,776.77 crore** (2021: ₹ 2,678.71 crore)]		

Notes:

1) Transactions in excess of 10% of the total related party transactions for each type has been disclosed above.

2) In case of Joint Venture/ Subsidiary Companies constituted/acquired during the period, transactions w.e.f. date of constitution / acquisition is disclosed.

3) In case of Joint Venture / Subsidiary Companies which have been closed/divested during the period, transactions up to the date of closure / disinvestment only are disclosed.

3. Government related entities where significant transactions carried out

Apart from transactions reported above, the Company has transactions with other Government related entities, which includes but not limited to the following:

Name of Government: Government of India (Central and State Government)

Nature of Transactions:

- Sale of Products and Services
- Purchase of Products
- Purchase of Raw Materials
- Handling and Freight Charges, etc.

These transactions are conducted in the ordinary course of the Company's business on terms comparable to those with other entities that are not Government-related.

NOTES TO FINANCIAL STATEMENTS

NOTE - 37 : RELATED PARTY DISCLOSURES (Contd...)

4) Key Managerial Personnel

A. Whole Time Directors/ Company Secretary	B. Independent Directors	C. Government Nominee Directors
1) Shri S. M. Vaidya	1) Shri Rajendra Arlekar (upto 10.07.2021)	1) Smt Indrani Kaushal (upto 24.09.2021)
2) Shri G. K. Satish (upto 31.08.2021)	2) Ms. Lata Usendi	2) Dr. Navneet Mohan Kothari
3) Dr S. S. V. Ramakumar	3) Shri Dilip Gogoi Lalung (w.e.f. 24.11.2021)	
4) Shri Ranjan Kumar Mohapatra	4) Dr. Ashutosh Pant (w.e.f. 24.11.2021)	
5) Shri S. K. Gupta	5) Dr. Dattatreya Rao Sirpurker (w.e.f. 24.11.2021)	
6) Shri V. Satish Kumar (w.e.f. 28.10.2021)	6) Shri Prasenjit Biswas (w.e.f. 24.11.2021)	
7) Shri D.S. Nanaware (w.e.f. 28.12.2021)	7) Shri Sudipta Kumar Ray (w.e.f. 24.11.2021)	
8) Ms. Sukla Mistry (w.e.f. 07.02.2022)	8) Shri Krishnan Sadagopan (w.e.f. 24.11.2021)	
9) Shri Sujoy Choudhury (w.e.f. 23.02.2022)		
10) Shri Kamal Kumar Gwalani		

D) Details relating to the personnel referred to in Item No. 4A & 4B above:

March 31, 2022

(₹ in crore)

Key Managerial Personnel	Short-Term Employee Benefits	Post Employment Benefits	Other Long Term Benefits	Total Remuneration	Sitting Fees	Outstanding Loans (Gross)/ Advance Receivables
A. Whole Time Directors/ Company Secretary						
1) Shri S. M. Vaidya	**0.61**	**0.08**	**0.01**	**0.70**	**-**	**0.01**
2) Shri G. K. Satish	**0.38**	**0.73**	**0.10**	**1.21**	**-**	**-**
3) Dr S. S. V. Ramakumar	**0.71**	**0.08**	**-**	**0.79**	**-**	**0.01**
4) Shri Ranjan Kumar Mohapatra	**0.70**	**0.08**	**0.10**	**0.88**	**-**	**0.01**
5) Shri S. K. Gupta	**0.64**	**0.08**	**-**	**0.72**	**-**	**-**
6) Shri V. Satish Kumar	**0.19**	**0.03**	**-**	**0.22**	**-**	**0.06**
7) Shri D.S. Nanaware	**0.13**	**0.02**	**-**	**0.15**	**-**	**0.02**
8) Ms. Sukla Mistry	**0.07**	**0.01**	**0.01**	**0.09**	**-**	**0.09**
9) Shri Sujoy Choudhury	**0.05**	**0.01**	**-**	**0.06**	**-**	**0.13**
10) Shri Kamal Kumar Gwalani	**0.62**	**0.07**	**-**	**0.69**	**-**	**0.18**
B. Independent Directors						
1) Shri Rajendra Arlekar	**-**	**-**	**-**	**-**	**0.03**	**-**
2) Ms Lata Usendi	**-**	**-**	**-**	**-**	**0.10**	**-**
3) Shri Dilip Gogoi Lalung	**-**	**-**	**-**	**-**	**0.02**	**-**
4) Dr. Ashutosh Pant	**-**	**-**	**-**	**-**	**0.02**	**-**
5) Dr. Dattatreya Rao Sirpurker	**-**	**-**	**-**	**-**	**0.03**	**-**
6) Shri Prasenjit Biswas	**-**	**-**	**-**	**-**	**0.03**	**-**
7) Shri Sudipta Kumar Ray	**-**	**-**	**-**	**-**	**0.03**	**-**
8) Shri Krishnan Sadagopan	**-**	**-**	**-**	**-**	**0.03**	**-**
TOTAL	**4.10**	**1.19**	**0.22**	**5.51**	**0.30**	**0.51**

NOTES TO FINANCIAL STATEMENTS

NOTE - 37 : RELATED PARTY DISCLOSURES (Contd...)

March 31, 2021

(₹ in crore)

Key Managerial Personnel	Short-Term Employee Benefits	Post Employment Benefits	Other Long Term Benefits	Total Remuneration	Sitting Fees	Outstanding Loans (Gross)/ Advance Receivables
A. Whole Time Directors/ Company Secretary						
1) Shri S. M. Vaidya	0.45	0.09	0.08	0.62	-	0.01
2) Shri G. K. Satish	0.47	0.09	0.16	0.72	-	-
3) Dr S. S. V. Ramakumar	0.55	0.09	0.08	0.72	-	0.01
4) Shri Ranjan Kumar Mohapatra	0.46	0.08	0.08	0.62	-	0.02
5) Shri S. K. Gupta	0.47	0.08	0.08	0.63	-	-
6) Shri Kamal Kumar Gwalani	0.47	0.08	0.06	0.61	-	0.19
B. Independent Directors						
1) Shri Rajendra Arlekar	-	-	-	-	0.10	-
2) Ms Lata Usendi	-	-	-	-	0.07	-
TOTAL	**2.87**	**0.51**	**0.54**	**3.92**	**0.17**	**0.23**

Notes:

1) This does not include the impact of provision made on actuarial valuation of retirement benefit/ long term Schemes and provision made during the period towards Post Retirement Benefits as the same are not separately ascertainable for individual directors.
2) There were no Share Based Employee Benefits given to KMPs during the period.
3) In addition, whole-time Directors are also allowed the use of Corporation's car for private purposes up to 12,000 kms. per annum on a payment of ₹ 2,000/- per mensem.

5) Relatives of Key Managerial Personnel and nature of relation with whom transactions are undertaken during the year:

1) Shri Siddharth Vaidya (Senior Production Engineer, Indian Oil Corporation Limited): Son of Key Managerial Personnel

Details relating to the parties referred above:

(₹ in crore)

	March 31, 2022	March 31, 2021
1 Remuneration		
Shri Siddharth Shrikant Vaidya ^	**0.20**	0.15
2 Outstanding Receivables/ Loans		
Shri Siddharth Shrikant Vaidya ^	**-**	-

^ Remuneration and Loan balances for relative of KMP is reported for the period of tenure of KMP.

NOTES TO FINANCIAL STATEMENTS

NOTE - 37 : RELATED PARTY DISCLOSURES (Contd...)

6) Trusts

Transactions with Post Employment Benefit Plans managed through separate trust

(₹ in crore)

	Name of the Trust	Post Employment Benefit Plan	March 31, 2022		March 31, 2021	
			Contribution by employer	Outstanding Receivable/ (Payable)	Contribution by employer	Outstanding Receivable/ (Payable)
1	IOCL (Refinery Division) Employees Provident Fund*	Provident Fund	**232.59**	**111.08**	237.27	82.50
2	Indian Oil Corporation Limited (Assam Oil Division) Employees Provident Fund	Provident Fund	**18.16**	**(17.12)**	21.35	38.10
3	Provident Fund for the Employees of Indian Oil Corporation Limited (Marketing Division)*	Provident Fund	**239.42**	**95.47**	246.47	168.24
4	IOCL Employees Superannuation Benefit Fund	Pension Scheme	**191.13**	**(50.64)**	164.06	33.42
5	IOCL Employees Post Retirement Medical Benefit Fund	Post Retirement Medical Scheme	**401.42**	**(43.14)**	746.56	(241.05)
6	IOCL Employees Group Gratuity Trust	Gratuity	**(3.77)**	**115.16**	528.93	3.74

*Includes **₹ 254.21 crore** (2021: ₹ 335.00 crore) advance given to PF Trust in FY 2020-21 as per acturial valuation towards interest shortfall/losses against which provision for probable contingencies to the tune of **₹ 363.10** crore (2021: ₹ 262.26 crore) has been provided for in books (Refer Note 35).

NOTES TO FINANCIAL STATEMENTS

NOTE - 38: SEGMENT INFORMATION

Operating Segment Reporting as per Ind-AS 108 for the year ended March 31, 2022 is as under:

(₹ in crore)

Particulars	2021-2022					2020-2021				
	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total
Revenue										
External Revenue	**6,79,426.12**	**28,091.37**	**20,942.45**	**-**	**7,28,459.94**	4,84,610.57	19,149.78	11,130.12	-	5,14,890.47
Inter-segment Revenue	**17,573.65**	**38.02**	**79.61**	**(17,691.28)**	**-**	8,516.35	19.31	68.19	(8,603.85)	-
Total Revenue	**6,96,999.77**	**28,129.39**	**21,022.06**	**(17,691.28)**	**7,28,459.94**	**4,93,126.92**	**19,169.09**	**11,198.31**	**(8,603.85)**	**5,14,890.47**
Result										
Segment Results excluding Exchange Gain/ (Loss)	**28,232.73**	**4,666.52**	**1,301.96**	**-**	**34,201.21**	23,337.30	5,218.82	(146.03)	-	28,410.09
Segmental Exchange Gain/ (Loss)	**(1,299.06)**	**18.94**	**26.51**	**-**	**(1,253.61)**	516.51	(0.56)	23.09	-	539.04
Segment Results (Before Exceptional Items)	**26,933.67**	**4,685.46**	**1,328.47**	**-**	**32,947.60**	**23,853.81**	**5,218.26**	**(122.94)**	**-**	**28,949.13**
Less: Unallocable Expenditure										
- Finance Cost					**4,829.10**					3,093.92
- Loss on Sale of Investments (Net)					**4.73**					-
- Impairment Loss on Financial Assets - Pertaining to Investment					**318.89**					66.15
- Loss on sale and disposal of Assets					**-**					85.09
- Exchange Loss - (Net)					**180.36**					-
- Fair value Loss on Financial instruments classified as FVTPL					**205.71**					-
Add: Unallocable Income										
- Interest and Dividend Income					**4,187.35**					3,001.15
- Profit on Sale of Investments (Net)					**-**					1.84
- Profit on sale and disposal of Assets					**23.15**					-
- Exchange Gain - (Net)					**-**					615.38
- Gain on Derivatives					**68.00**					140.87
- Fair value gain on Financial instruments classified as FVTPL					**-**					205.56
- Other non operating income					**45.76**					46.88
Profit / (Loss) Before Tax					**31,733.07**					**29,715.65**
Less: Income Tax (including deferred tax)					**7,548.97**					7,879.61
Profit / (Loss) After Tax					**24,184.10**					**21,836.04**

1. The Company is engaged in the following operating segments:
   a) Sale of Petroleum Products
   b) Sale of Petrochemicals
   c) Other operating segment of the Corporation comprises; Gas, Oil & Gas Exploration Activities, Explosives & Cryogenic Business and Wind Mill & Solar Power Generation.

   Segments have been identified and reported taking into account, the nature of products and services and differing risks and returns.
2. Segment Revenue comprises of the following:
   a) Turnover (Inclusive of Excise Duties)
   b) Net Claim/(Surrender) of SSC
   c) Subsidy / Grants received from Governments
   d) Other Operating Revenue
3. Inter segment pricing are at Arm's length basis
4. There are no reportable geographical segments.

NOTES TO FINANCIAL STATEMENTS

NOTE - 38: SEGMENT INFORMATION (Contd...)

Other Information

(₹ in crore)

Particulars	March 31, 2022				March 31, 2021			
	Petroleum Products	Petro-chemicals	Other Business	Total	Petroleum Products	Petro-chemicals	Other Business	Total
Segment Assets	**2,85,134.91**	**26,330.35**	**12,777.21**	**3,24,242.47**	**2,48,983.84**	**21,734.13**	**9,209.79**	**2,79,927.76**
Corporate Assets								
Investments (Current and Non Current)				**57,786.64**				48,619.41
Advances For Investments				**778.00**				22.63
Advance Tax				**2,748.06**				2,428.85
Loans				**2,703.87**				3,006.24
Derivative Asset				**76.72**				45.13
Finance Lease Receivables				**3.34**				4.06
Total Assets				**3,88,339.10**				**3,34,054.08**
Segment Liabilities	**1,19,629.58**	**945.22**	**2,468.56**	**1,23,043.36**	**1,03,058.05**	**847.13**	**2,045.35**	**1,05,950.53**
Corporate Liabilities								
Liability for Dividend				**-**				1,260.79
Provision For Taxation				**611.39**				797.85
Borrowings (Short Term and Long Term)				**1,10,798.50**				94,413.00
Lease Obligations (Short Term and Long Term)				**8,664.32**				7,914.49
Deferred Tax Liability				**13,627.36**				12,964.73
Derivative Liabiliies				**307.81**				252.65
Total Liabilities				**2,57,052.74**				**2,23,554.04**
Capital Employed								
Segment Wise	**1,65,505.33**	**25,385.13**	**10,308.65**	**2,01,199.11**	1,45,925.79	20,887.00	7,164.44	1,73,977.23
Corporate				**(69,912.75)**				(63,477.19)
Total Capital Employed				**1,31,286.36**				**1,10,500.04**
Capital Expenditure	**23,149.28**	**1,695.91**	**1,642.01**	**26,487.20**	19,875.26	2,071.48	2,230.91	24,177.65
Depreciation and Amortization	**9,899.40**	**883.72**	**222.79**	**11,005.91**	8,777.27	918.02	109.01	9,804.30

Geographical information

(₹ in crore)

	Revenue from external customers		Non-current assets	
	2021-2022	2020-2021	2021-2022	2020-2021
India	**6,95,290.11**	4,98,109.51	**1,94,758.83**	1,79,040.95
Outside India	**33,169.83**	16,780.96	**235.18**	239.71
Total	**7,28,459.94**	**5,14,890.47**	**1,94,994.01**	**1,79,280.66**

Revenue from major products and services

(₹ in crore)

	2021-2022	2020-2021
Motor Spirit (MS)	**1,58,548.80**	1,11,485.89
High Speed Diesel (HSD)	**3,42,032.40**	2,58,141.00
Superior Kerosene Oil (SKO)	**6,669.75**	4,376.53
Liquified Petroleum Gas (LPG)	**93,492.18**	64,124.29
Aviation Turbine Fuel (ATF)	**21,608.49**	9,201.40
Others	**1,06,108.32**	67,561.36
Total External Revenue	**7,28,459.94**	**5,14,890.47**

NOTES TO FINANCIAL STATEMENTS

NOTE - 39: FAIR VALUE MEASUREMENT

I. Set out below, is a comparison by class of the carrying value and fair value of the Company's financial instruments, along with the fair value measurement hierarchy:

(₹ in crore)

	Carrying Value		Fair Value		Fair Value measurement hierarchy level
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	
FINANCIAL ASSETS					
A. Fair Value through Other Comprehensive Income (FVTOCI):					
Quoted Equity Shares	**19,145.62**	12,213.69	**19,145.62**	12,213.69	Level 1
Unquoted Equity Instruments	**926.22**	855.52	**926.22**	855.52	Level 3
Quoted Government Securities	**11,596.67**	11,883.53	**11,596.67**	11,883.53	Level 1
Hedging Derivatives					
Commodity forward contracts- Margin Hedging	**2.97**	17.12	**2.97**	17.12	Level 2
Interest Rate Swap	**53.15**	5.35	**53.15**	5.35	Level 2
B. Fair Value through Profit and Loss (FVTPL):					
Non Convertible Redeemable Preference Shares	**599.33**	600.00	**599.33**	600.00	Level 3
Compulsorily Convertible Debentures	**3,650.74**	3,875.66	**3,650.74**	3,875.66	Level 3
Loan to Related Party - Suntera Nigeria 205 Limited	**141.02**	121.51	**141.02**	121.51	Level 3
Derivative Instruments at fair value through profit or loss	**20.60**	22.66	**20.60**	22.66	Level 2
C. Amortised Cost:					
Loans to employees	**1,397.91**	1,467.62	**1,513.09**	1,644.69	Level 2
PMUY Loan (Refer point 1 of Note-49 for more details)	**791.56**	1,058.43	**845.64**	1,108.88	Level 3
FINANCIAL LIABILITIES					
A. Amortised Cost:					
Non-Convertible Debentures	**14,408.49**	15,908.35	**14,663.62**	15,922.52	Level 2
Term Loans from Oil Industry Development Board (OIDB)	**-**	434.99	**-**	429.32	Level 2
Foreign Currency Bonds - US Dollars	**8,232.81**	10,228.00	**8,450.17**	11,349.88	Level 1
Foreign Currency Bonds - Singapore Dollars	**-**	2,174.76	**-**	2,268.32	Level 2
Loan from Odisha Government	**1,621.07**	1,291.34	**1,511.85**	1,303.89	Level 2
Fixed Rate Term Loan (USD 100 Mn)	**757.98**	731.15	**725.96**	731.06	Level 2
B. Fair Value through Profit and Loss (FVTPL):					
Derivative Instruments at fair value through profit or loss	**245.95**	252.65	**245.95**	252.65	Level 2
C. Fair Value through Other Comprehensive Income (FVTOCI):					
Hedging Derivatives					
Foreign exchange forward contracts- Loans	**42.26**	-	**42.26**	-	Level 2
Commodity forward contracts- Margin Hedging	**19.60**	-	**19.60**	-	Level 2

NOTES TO FINANCIAL STATEMENTS

NOTE - 39 : FAIR VALUE MEASUREMENT (Contd...)

Note:

The management has assessed that fair values of Trade Receivables, Trade Payables, Cash and Cash Equivalents, Bank Balances & Bank Deposits, Loans (incl. Security Deposits) other than mentioned above, Short Term Borrowings (incl. Current Maturities of Long Term Borrowings), Floating Rate Borrowings, Lease Liabilities, Other Non-Derivative Current/ Non-Current Financial Assets & Other Non-Derivative Current/ Non-Current Financial Liabilities approximate their carrying amounts.

METHODS AND ASSUMPTIONS

The following methods and assumptions were used to estimate the fair values at the reporting date:

A. Level 1 Hierarchy:

(i) **Quoted Equity Shares:** Closing quoted price (unadjusted) in National Stock Exchange of India Limited

(ii) **Quoted Government Securities:** Closing published price (unadjusted) in Clearing Corporation of India Limited

(iii) **Foreign Currency Bonds - US Dollars:** Closing price (unadjusted) for the specific bond collected from active market

B. Level 2 Hierarchy:

(i) **Derivative Instruments at FVTPL:** Replacement cost quoted by institutions for similar instruments by employing use of market observable inputs.

(ii) **Hedging Derivatives at FVTOCI:** Replacement cost quoted by institutions for similar instruments by employing use of market observable inputs.

(iii) **Loans to employees:** Discounting future cash flows using rates currently available for items on similar terms, credit risk and remaining maturities, adjusted for insignificant unobservable inputs specific to such loan like principal and interest repayments are such that employee get more flexibility in repayment as per the respective loan schemes.

(iv) **Non-Convertible Debentures, Foreign Currency Bonds - Singapore Dollars , Loan from Odisha Government and USD 100 Mn Term Loan:** Discounting future cash flows using rates currently available for items on similar terms, credit risk and remaining maturities (Excluding floating rate borrowings).

(v) **Term Loans from Oil Industry Development Board (OIDB):** Discounting future cash flows using rates currently available for similar type of borrowings (OIDB Borrowing Rate) using exit model as per Ind AS 113.

C. Level 3 Hierarchy:

(i) Unquoted Equity Instruments: Fair values of the unquoted equity shares have been estimated using Market Approach of valuation techniques with the help of external valuer. Valuation as per this technique is determined by comparing the company's accounting ratios with another company's of the same nature and size which are considered to be significant to valuation, such as earnings, cash flow, book value, or sales of various business of the same nature. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

(ii) Non Convertible Redeemable Preference Shares, Compulsorily Convertible Debentures (CCDs) and Loan to Related parties - Suntera: Fair value of Preference shares, CCDs and Loan to Suntera is estimated with the help of external valuer by discounting future cash flows. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

(iii) PMUY Loan: Fair value of PMUY loans is estimated by discounting future cash flows using approximate interest rates applicable on loans given by Banks duly adjusted for significant use of unobservable inputs in estimating the cash flows comprising of specific qualitative and quantitative factors like consumption pattern, assumption of subsidy rate etc.

NOTES TO FINANCIAL STATEMENTS

NOTE - 39 : FAIR VALUE MEASUREMENT (Contd...)

The significant unobservable inputs used in fair value assessment categorised within Level 3 of the Fair Value Hierarchy together with a quantitative sensitivity analysis as on March 31, 2022 and March 31, 2021 are shown below:

	Description	Valuation technique	Significant unobservable Input	Range (weighted average)	Sensitivity of the Input to Fair Value
I	**Unquoted Equity Instrument -** Haldia Petrochemicals Limited (Refer Note-4 for Carrying Value)	Market Approach with equal weights to Revenue Multiple and EBITDA Multiple	Revenue Multiple	31.03.22: 0.78x - 0.82x (0.80x) 31.03.21: 1.02x - 1.06x (1.04x)	0.01x increase/(decrease) in Revenue Multiple would result in increase/(decrease) in fair value by: 31.03.22: ₹ 5.2 crore/ ₹ (5.2) crore 31.03.21: ₹ 4.5 crore/ ₹ (4.5) crore
			EBITDA Multiple	31.03.22: 5.8x - 6.2x (6.0x) 31.03.21: 4.8x - 5.2x (5.0x)	0.1x increase/(decrease) in EBITDA Multiple would result in increase/(decrease) in fair value by: 31.03.22: ₹ 6.6 crore/ ₹ (6.5) crore 31.03.21: ₹ 10.0 crore/ ₹ (10.0) crore
II	**Non Convertible Redeemable Preference Shares -** Chennai Petroleum Corporation Limited	Income Approach - Present Value Measurement	Discount Rate	31.03.22: 7.44% - 9.44% (8.44%) 31.03.21: 4.63% - 6.63% (5.63%)	0.5% increase/(decrease) in Discount Rate would result in (decrease)/increase in fair value by: 31.03.22: ₹ (6.8) crore/ ₹ 7.2 crore 31.03.21: ₹ (10.0) crore/ ₹ 10.0 crore
III	**Compulsorily Convertible Debentures -** IndianOil LNG Private Limited	Income Approach - Present Value Measurement		CCDs - 31.03.22: 7.00% - 9.00% (8.00%) CCD - 1&2: 31.03.21: 4.54% - 6.54% (5.54%)	0.5% increase/(decrease) in Discount Rate would result in (decrease)/increase in fair value by: 31.03.22: ₹ (30.31) crore/ ₹ 30.72 crore 31.03.21: ₹ (8.42) crore/ ₹ 8.57 crore
			Discount Rate	CCD-3: 31.03.22: N/A 31.03.21: 4.54% - 6.54% (5.54%)	0.5% increase/(decrease) in Discount Rate would result in (decrease)/ increase in fair value by: 31.03.22: N/A 31.03.21: ₹ (10.17) crore/ ₹ 10.34 crore
				CCD-4: 31.03.22: N/A 31.03.21: 4.66% - 6.66% (5.66%)	0.5% increase/(decrease) in Discount Rate would result in (decrease)/ increase in fair value by: 31.03.22: N/A 31.03.21: ₹ (30.12) crore/ ₹ 30.69 crore"
IV	**Loan to Related Party -** Suntera Nigeria 205 Limited	Income Approach - Present Value Measurement	Discount Rate	31.03.22: 15.5% - 19.5% (17.5%) 31.03.21: 15.0% - 19.0% (17.0%)	1% increase/(decrease) in Discount Rate would result in (decrease)/increase in fair value by: 31.03.22: ₹ (4.5) crore/ ₹ 4.5 crore 31.03.21: ₹ (5.1) crore/ ₹ 5.1 crore

Unquoted Equity Instruments carried at FVTOCI includes following investments for which sensitivity disclosure is not disclosed:

	Carrying Value (₹ in crore)	
	As at March 31, 2022	As at March 31, 2021
Indian Gas Exchange Limited	**5.85**	-
Woodlands Multispeciality Hospital Limited	**0.10**	0.10
International Cooperative Petroleum Association, New York	**0.02**	0.02

NOTES TO FINANCIAL STATEMENTS

NOTE - 39 : FAIR VALUE MEASUREMENT (Contd...)

Reconciliation of fair value measurement of Assets and Liabilities under Level 3 hierarchy of Fair Value measurement:

(₹ in crore)

Description	FVTOCI Assets	FVTPL Assets		
	Unquoted Equity Shares	Non Convertible Redeemable Preference Shares	Compulsorily Convertible Debentures	Loan to Suntera Nigeria 205 Ltd.
Balance as at March 31 2021	**855.52**	**600.00**	**3,875.66**	**121.51**
Addition	3.69	-	-	-
Fair Value Changes	67.01	(0.67)	(224.92)	15.06
Exchange Difference	-	-	-	4.45
Balance as at March 31 2022	**926.22**	**599.33**	**3,650.74**	**141.02**

II. Disclosures relating to recognition of differences between the fair value at initial recognition and the transaction price

In the following cases, the Company has not recognized gains/losses in profit or loss on initial recognition of financial assets/ financial liability, instead, such gains/losses are deferred and recognized as per the accounting policy mentioned below.

Financial Assets

1. Loan to Employees

As per the terms of service, the Company has given long term loan to its employees at concessional interest rate. Transaction price is not fair value because loans are not extended at market rates applicable to employees. Since implied benefit is on the basis of the services rendered by the employee, it is deferred and recognised as employee benefit expense over the loan period.

2. PMUY loan

The PMUY loan is the interest free loan given to PMUY beneficiaries towards cost of burner and 1st refill. The loan is interest free and therefore transaction price is not at fair value. The difference between fair value and transaction price is accumulated in Deferred expenses and amortized over the loan period on straight line basis in the Statement of Profit and Loss.

Financial Liabilities

1. Security Deposits

In case certain deposits payable to deceased employees under R2 option and security deposits received in relation to some revenue expenses contracts, transaction price is not considered as fair value because deposits are interest free. The difference between fair value and transaction price is accumulated in Deferred income and amortized over the tenure of security deposit on straight line basis in the Statement of Profit and Loss.

NOTES TO FINANCIAL STATEMENTS

NOTE - 39 : FAIR VALUE MEASUREMENT (Contd...)

Reconciliation of deferred gains/losses yet to be recognized in the Statement of Profit and Loss are as under:

(₹ in crore)

Particulars	Opening Balance	Addition During the Year	Amortized During the Year	Adjusted During the Year	Closing Balance
2021-22					
Deferred Expenses (Refer Note 8)					
Loan to employees	658.57	210.60	51.25	-	817.92
PMUY Loan	376.50		98.97	4.32	273.21
Deferred Income (Refer Note 20)					
Security Deposits	4.50	-	0.80	-	3.70
2020-21					
Deferred Expenses (Refer Note 8)					
Loan to employees	678.89	26.36	46.68	-	658.57
PMUY Loan	647.55	-	209.52	61.53	376.50
Deferred Income (Refer Note 20)					
Security Deposits	5.61	-	1.11	-	4.50

NOTE – 40 FINANCIAL INSTRUMENTS AND RISK FACTORS

Financial Risk Factors

The Company's principal financial liabilities, other than derivatives, comprise Borrowings, trade and other payables, security deposits, employee liabilities and lease obligation. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans & advances, trade and other receivables, short-term deposits and cash / cash equivalents that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

The Company is exposed to a number of different financial risks arising from natural business exposures as well as its use of financial instruments including market risk relating to interest rate, commodity prices, foreign currency exchange rates and equity price, credit risk and liquidity risk.

The Risk Management Commitee comprised of senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Management Committee provides assurance to the Board that the Company's risks are governed by appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies, risk objectives and risk appetite.

The Company's requirement of crude oil are managed through integrated function handled through its international trade and optimization department. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. As per the Company's policy, derivatives contracts are taken only to hedge the various risks that the Company is exposed to and not for speculation purpose.

The Board of Directors oversee the risk management activities for managing each of these risks, which are summarised below:

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The major components of market risk are interest rate risk, foreign currency risk, commodity price risk and

NOTES TO FINANCIAL STATEMENTS

NOTE – 40 FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd...)

other price risk viz. equity shares etc. Financial instruments affected by market risk include Borrowings, Deposits, FVTOCI investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2022 and March 31, 2021.

The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations, provisions, and other non-financial assets and liabilities of foreign operations.

1. Interest Rate Risk

The Company is exposed to interest rate risk from the possibiltiy that changes in interst rates will affect future cash flows of a financial instrument, principally financial debt. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages to maintian a mix between fixed and floating rates for rupee and foreign currency loans, based on liquidity, availability of cost effective instruments and considering the market/ regulatory constraints etc. The Company also use interest rate swap contracts for managing the interest rate risk of floating interest rate debt. As at March 31, 2022, approximately 55% of the Company's borrowings are at a fixed rate of interest (March 31, 2021: 63%).

In 2017 Financial Conduct Authority ("FCA") of UK, the regulator of the LIBOR rates, announced LIBOR benchmark will be phased out after end of December 2021. Subsequently, on 5th March 2021 ICE Benchmark Administrator (IBA), the administrator of the LIBOR rates and FCA formally announced the extension of the last date of publication of USD LIBOR for overnight, one, three, six and twelve month tenors from end of December 2021 to end of June 2023 to accommodate easy transition of existing USD LIBOR based contracts to alternate benchmark. However, the liquidity of SOFR loans in ECB loan market started to develop only towards the fag end of the Year 2021. The Company is not expecting any material financial impact of transition from USD LIBOR to SOFR on its floating rate loans linked to USD LIBOR and associated derivative contracts which are maturing beyond 30th June 2023.

The company's exposure to LIBOR transition is only in respect of USD LIBOR as IndianOil's entire foreign currency borrowing is US Dollar denominated. IndianOil has been exploring various strategies of transitioning its existing USD LIBOR benchmarked loans into the alternate reference rate, viz., SOFR. IndianOil is the first Corporate in India to tie-up long term USD loan using SOFR as benchmark. Further, IndianOil also went ahead of the curve and transitioned part of existing LIBOR linked loan to SOFR benchmark during FY 2021-22 by refinancing the existing loan. The Company has initiated the process of discussion with the existing lenders of the loans for transition.

The table below gives information about financial instruments that have yet to transition to an alternative benchmark rate as at March 31, 2022 :

Particulars	Balances subject to USD LIBOR (in ₹ crore)
1. Non-derivative Financial Assets	Nil
2. Non-derivative Financial Liabilities	
a) Foreign Currency Loans	14,010.41
3. Derivatives	
a) Interest Rate Swap*	1,515.53

*Nominal Amount

The management is likely to complete the transition exercise of the existing USD LIBOR linked loans before 30th June 2023.

NOTES TO FINANCIAL STATEMENTS

NOTE – 40 FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd...)

The sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant, on floating rate borrowings is as follows:

Currency of Borrowings	Increase/ Decrease in basis points	Effect on profit before tax (₹ in crore)	Increase/ Decrease in basis points	Effect on profit before tax (₹ in crore)
	March 31, 2022		March 31, 2021	
INR	**+50**	**(50.11)**	+50	(37.74)
US Dollar	**+50**	**(196.78)**	+50	(136.59)
INR	**-50**	**50.11**	-50	37.74
US Dollar	**-50**	**196.78**	-50	136.59

2. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and Borrowings.

The Company manages its foreign currency risk through combination of natural hedge, mandatory hedging and hedging undertaken on occurence of pre-determined triggers. The hedging is mostly undertaken through forward contracts.

The Company has outstanding forward contract of **₹ 3,610.54 crore** as at March 31, 2022 (March 31, 2021: ₹ Nil) which has been undertaken to hedge its exposure to borrowings and other financial liabilities.

The sensitivity to a reasonably possible change in USD/INR exchange rates, with all other variables held constant, the impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies other than below is not material.

Currency	Increase/ Decrease in %	Effect on profit before tax (₹ in crore)	Increase/ Decrease in %	Effect on profit before tax (₹ in crore)
	March 31, 2022		March 31, 2021	
Forward Contract - US Dollar	**+5%**	**180.53**	+5%	-
	-5%	**(180.53)**	-5%	-
Other Exposures - US Dollar	**+5%**	**(4,119.05)**	+5%	(3,274.30)
	-5%	**4,119.05**	-5%	3,274.30
Other Exposures - SGD	**+5%**	**(114.73)**	+5%	(111.40)
	-5%	**114.73**	-5%	111.40
Cross Currency - USD vs. SGD	**+5%**	**(123.40)**	+5%	(119.03)
	-5%	**123.40**	-5%	119.03
Cross Currency - USD vs. INR	**+5%**	**(66.32)**	+5%	(63.98)
	-5%	**66.32**	-5%	63.98

The effects of most exchange rate fluctuations are absorbed in business operating results which are offset by changing cost competitiveness, lags in market adjustments to movements in rates to its other non-financial assets like inventory etc. For this reason, the total effect of exchange rate fluctuations is not identifiable separately in the Company's reported results.

3. Commodity Price Risk

The Company is exposed to various commodity price related risk such as Refinery Margins i.e. Differential between the prices of petroleum products & crude oil, Crude Oil Price fluctuation on accounts of inventory valuation fluctuation and crude oil imports etc. As per approved risk management policy, the Company can undertake refinery margin hedging, inventory hedging and crude oil price hedging through swaps, options and futures in the OTC market as well as domestic exchanges to mitigate the risk within the approved limits.

The Company's exposure of various inventories as at the end of the financial year is provided below:

In MMT

Inventory	March 31, 2022	March 31, 2021
- Raw Materials	**7.045**	8.084
- Stock in Process	**1.765**	1.662
- Finished Products	**5.048**	4.947
- Stock in Trade	**1.407**	1.694

Due to variation in prices, the Company incurred total inventory gain/ (Loss) of **₹ 31,007.36 crore** during the current year (2021: ₹ 20,503.03 crore).

Category-wise quantitative data about commodity derivative transactions that are oustanding as at the end of the financial year is given below:

Quantity (in Lakhs bbls)

Particulars	March 31, 2022	March 31, 2021
Margin Hedging Forward contracts	**26.25**	14.25

The sensitivity to a reasonably possible change in Crude benchmark price difference/ refinery margin on the outstanding commodity hedging position as on March 31, 2022:

(₹ in crore)

Particulars	Increase/ Decrease in %	Effect on profit before tax (₹ in crore)	Increase/ Decrease in %	Effect on profit before tax (₹ in crore)
	March 31, 2022		March 31, 2021	
Margin Hedging	**+10%**	**(30.27)**	+10%	(2.88)
Margin Hedging	**-10%**	**30.27**	-10%	2.88

4. Equity Price Risk

The Company's investment in listed and non-listed equity securities, other than its investments in Joint Ventures/ Associates and Subsidiaries, are susceptible to market price risk arising from uncertainties about future values of the investment securities.

At the reporting date, the exposure to unlisted equity securities at fair value was **₹ 926.22 crore**. Sensitivity analysis of these investments have been provided in Note 39.

The exposure to listed equity securities valued at fair value was **₹ 19,145.62 crore**. An increase / decrease of 5% on the NSE market index could have an impact of approximately **₹ 957.28 crore** on the OCI and equity attributable to the Company. These changes would not have an effect on profit or loss.

5. Derivatives and Hedging

(i) Classification of derivatives

The Company is exposed to certain market risks relating to its ongoing business operations as explained above.

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are accounted for at fair value through profit or loss. Information about the derivatives used by the Company and outstanding as at the end of the financial year is provided below:

NOTES TO FINANCIAL STATEMENTS

NOTE – 40 FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd...)

(₹ in crore)

Particulars	March 31, 2022		March 31, 2021	
	Other Financial Assets	Other Financial Liabilities	Other Financial Assets	Other Financial Liabilities
Derivatives not designated as hedging instruments				
Foreign exchange forward contracts- Loans	-	-	-	-
Foreign Exchange currency swap	20.60	245.95	22.66	252.65
Derivatives designated as hedging instruments				
Foreign exchange forward contracts- Loans	-	42.26	-	-
Foreign exchange forward contracts- Crude/ Product Liabilities	-	-	-	-
Interest Rate Swap	53.15	-	5.35	-
Commodity Forward Contracts - Margin Hedging	2.97	19.60	17.12	-

(ii) Hedging activities

The primary risks managed using derivative instruments are commodity price risk, foreign currency risk and interest rate risk.

Commodity Price Risk

IndianOil buys crude and sells petroleum products linked to international benchmark prices and these benchmark prices do not move in tandem. This exposes IndianOil to the risk of variation in refining margins which is managed by margin hedging.

The risk of fall in refining margins of petroleum products in highly probable forecast sale transactions is hedged by undertaking crack spread forward contracts. The Company wants to protect the realization of margins and therefore to mitigate this risk, the Company is taking these forward contracts to hedge the margin on highly probable forecast sale in future. Risk management activities are undertaken in OTC market i.e. these are the bilateral contracts with registered counterparties.

All these hedges are accounted for as cash flow hedges.

Foreign Currency Risk

The Company is exposed to various foreign currency risks as explained in A.2 above. As per Company's Foreign Currency & Interest Rate Risk Management Policy , the Company is required to fully hedge the short term foreign currency loans (other than revolving lines and PCFC loans) and at least 50% of the long term foreign currency loans based on market conditions.

Apart from mandatory hedging of loans, the Company also undertakes foreign currency forward contracts for the management of currency purchase for repayment of crude/ product liabilities based on market conditions and requirements. The above hedgings are undertaken through delivery based forward contracts.

All these hedges are accounted for as cash flow hedges.

Interest Rate Risk

The Company is exposed to interest rate risks on floating rate borrowings as explained in A.1 above. Company hedges interest rate risk by taking interest rate swaps as per company's Interest Rate Risk Management Policy based on market conditions. The Company uses interest rate derivatives to hedge exposure to interest payments for floating rate borrowings denominated in foreign currencies.

All these hedges are accounted for as cash flow hedges.

NOTES TO FINANCIAL STATEMENTS

NOTE – 40 FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd...)

Hedge Effectiveness

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange and commodity forward contracts match the terms of hedge items. The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange, interest rate and commodity forward contracts are identical to the hedged risk components. To test the hedge effectiveness, the Company compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks. In case of interest rate swaps, as the critical terms of the interest rate swap contracts and their corresponding hedged items are similar, the company performs a qualitative assessment of effectiveness and it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates.

Source of Hedge ineffetiveness

In case of commodity price risk, the Company has identified the following sources of ineffectiveness, which are not expected to be material:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- Different indexes linked to the hedged risk of the hedged items and hedging instruments
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments

In case of foreign currency risk and interest rate risk, the main source of hedge ineffectiveness is the effect of the counterparty and the company's own credit risk on the fair value of hedge contracts, which is not reflected in the fair value of the hedged items. The effect of this is not expected to be material.

Disclosures of effects of Cash Flow Hedge Accounting

Hedging instruments

The Company is holding the following hedging instruments:

(₹ in crore)

As at March 31,2022	Maturity					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 12 Months	Total
Foreign exchange forward contracts- Loans						
Nominal amount	-	1136.65	-	-	2473.89	3610.54
Average forward rate (₹)	-	75.78	-	-	82.46	
Foreign exchange forward contracts- Crude/ Product Liabilities						
Nominal amount	-	-	-	-	-	-
Average forward rate (₹)	-	-	-	-	-	
Interest Rate Swaps						
Nominal amount	-	-	-	-	1515.53	1515.53
Commodity forward contracts- Margin Hedging						
Nominal volume (Quantity in lakh bbls)	-	8.50	11.00	6.75	-	26.25
Nominal amount	-	130.32	110.42	45.35	-	286.09
Average forward rate ($ /bbl)	-	20.23	13.24	8.86	-	-

NOTES TO FINANCIAL STATEMENTS

NOTE – 40 FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd...)

(₹ in crore)

As at March 31,2021	Maturity					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 12 Months	Total
Foreign exchange forward contracts- Loans						
Nominal amount	-	-	-	-	-	-
Average forward rate (₹)	-	-	-	-	-	
Foreign exchange forward contracts- Crude/ Product Liabilities						
Nominal amount	-	-	-	-	-	-
Average forward rate (₹)	-	-	-	-	-	
Interest Rate Swaps						
Nominal amount	-	-	-	-	1,438.43	1438.43
Commodity forward contracts- Margin Hedging						
Nominal volume (Quantity in lakh bbls)	0.75	1.50	6.00	6.00	-	14.25
Nominal amount	(0.91)	(1.82)	37.48	11.17	-	45.92
Average forward rate ($ /bbl)	(1.66)	(1.66)	8.55	2.55	-	-

The impact of the hedging instruments on the Balance Sheet is as under:

(₹ in crore)

	Foreign exchange forward contracts- Loans		Foreign exchange forward contracts- Crude/ Product Liablities		Interest Rate Swaps		Commodity forward contracts- Margin Hedging	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Nominal amount	**3610.54**	-	**-**	-	**1515.53**	1438.43	**286.09**	45.92
Carrying amount	**(42.26)**	-	**-**	-	**53.15**	5.35	**(16.63)**	17.12
Line item in the Balance Sheet that's includes Hedging Instruments	Other Current Financial Assets / Other Current Financial Liabilities*							
Change in fair value used for measuring ineffectiveness for the period - Gain (Loss)	**(42.26)**	(14.14)	**3.35**	(6.30)	**53.15**	5.35	**(15.19)**	136.67

NOTES TO FINANCIAL STATEMENTS

NOTE – 40 FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd...)

Hedge Items

The impact of the Hedged Items on the Balance Sheet is as follows:

(₹ in crore)

	Foreign exchange forward contracts- Loans		Foreign exchange forward contracts- Crude/ Product Liablities		Interest Rate Swaps		Commodity forward contracts- Margin Hedging	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Balance in Cash flow hedge reserve as at the end of the year for continuing hedges (net of tax)	**(10.19)**	-	**0.80**	-	**70.56**	4.00	**(33.86)**	12.80
Change in value of the hedged items used for measuring ineffectiveness for the period	**42.26**	14.14	**(3.35)**	6.30	**(53.15)**	(5.35)	**15.19**	(136.67)

The effect of the cash flow hedge in the Statement of Profit and Loss and Other Comprehensive Income is as follows:

(₹ in crore)

	Foreign exchange forward contracts- Loans		Foreign exchange forward contracts- Crude/ Product Liablities		Interest Rate Swaps		Commodity forward contracts- Margin Hedging	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Cash flow Hedge Reserve at the beginning of the year	**-**	-	**-**	-	**4.00**	-	**12.80**	46.00
Total hedging gain/(loss) recognised in OCI	**(42.26)**	(14.14)	**3.35**	(6.30)	**47.80**	5.35	**(32.31)**	75.18
Income tax on above	**(16.58)**	3.56	**1.31**	1.59	**18.76**	(1.35)	**(12.68)**	(18.92)
Ineffectiveness recognised in profit or loss	**-**	-	**-**	-	**-**	-	**-**	-
Line item in the statement of profit or loss that includes the recognized ineffectiveness	**NA**	NA	**NA**	NA	**NA**	NA	**NA**	NA
Amount reclassified from OCI to profit or loss	**(42.26)**	(14.14)	**3.35**	(6.30)	**-**	-	**1.45**	119.55
Income tax on above	**(6.39)**	3.56	**0.51**	1.59	**-**	-	**0.22**	(30.09)
Cash flow Hedge Reserve at the end of the year	**(10.19)**	-	**0.80**	-	**70.56**	4.00	**(33.86)**	12.80
Line item in the statement of profit or loss that includes the reclassification adjustments	**Other Expenses**	Other Income	**Other Expenses**	Other Income	**NA**	NA	**Revenue from Operations**	Revenue from Operations

NOTES TO FINANCIAL STATEMENTS

NOTE – 40 FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd...)

B. Credit risk

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by Letters of Credit, Bank Guarantees or other forms of credit insurance, wherever required.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company applies Simplified approach for providing the expected credit losses on Trade Receivables as per the accounting policy of the company. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

(₹ in crore)

	Unbilled	Not Due	Less than 6 months	Above 6 months to 1 year	Above 1 year to 2 years	Above 2 years to 3 years	> 3 years	Total
Year ended March 31, 2022								
Gross Carrying amount	80.07	10,865.36	5,243.55	1,431.20	351.31	288.41	272.47	18,532.37
Expected loss rate	0.29%	0.28%	2.63%	2.64%	3.19%	4.07%	1.37%	
Expected credit losses	(0.23)	(30.05)	(138.07)	(37.80)	(11.22)	(11.75)	(3.72)	(232.84)
Specific Provision	-	-	-	-	(0.98)	(0.32)	(161.66)	(162.96)
Carrying amount	**79.84**	**10,835.31**	**5,105.48**	**1,393.40**	**339.11**	**276.34**	**107.09**	**18,136.57**
Year ended March 31, 2021								
Gross Carrying amount	62.31	8,064.99	2,556.34	769.67	2,074.73	190.18	268.39	13,986.61
Expected loss rate	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	
Expected credit losses	(0.08)	(7.55)	(2.13)	(0.64)	(0.81)	(0.15)	(0.09)	(11.45)
Specific Provision	-	(96.33)	(74.56)	(23.97)	(224.93)	(6.93)	(168.88)	(595.60)
Carrying amount	**62.23**	**7,961.11**	**2,479.65**	**745.06**	**1,848.99**	**183.10**	**99.42**	**13,379.56**

The ECL matrix has been reviewed during the year and accordingly expected credit losses have been computed using historical credit loss experience for different groups of trade receivables.

Other Financial instruments and cash deposits

The Company's maximum exposure to credit risk for the components of the Balance Sheet at March 31, 2022 and March 31, 2021 is the carrying amounts as provided in Note 4, 5, 6, 11 & 12.

The Company applies General approach for providing the expected credit losses on these items as per the accounting policy of the company.

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Company's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

NOTES TO FINANCIAL STATEMENTS

NOTE – 40 FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd...)

The Company has given loans to PMUY (Pradhan Mantri Ujjwala Yojana) customers which are shown under Loans in Note-5. PMUY loans are given to provide clean cooking fuel to BPL families as per GOI scheme wherein free LPG connections are issued by Oil Marketing Companies (OMCs) to the women belonging to the Below Poverty Line (BPL) households. As per the scheme, OMCs are providing an option for interest free loan towards cost of burner and 1st refill to PMUY consumers which is to be recovered from the subsidy amount payable to customer when such customers book refill.

In case of certain PMUY loans, the Company has determined that there is significant increase in the credit risk. The Company considers the probability of default upon initial recognition of the loan and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers past experience and time elapsed since the last refill for determining probability of default on collective basis. The Company has categorized the PMUY loans wherein credit risk has increased significantly under various categories considering the likelihood of default based on time gap since last refill. ECL is provided **@80%** (2021: @80%) in case of time gap since last refill is more than 12 months but not exceeding 18 months, **@90%** (2021: @90%) in case of time gap is more than 18 months but not exceeding 24 months and **@100%** (2021: @100%) for those consumers who have not taken any refill more than 24 months. ECL is provided for the loans where the refill is taken within last 12 months based on experience ratio of more than 12 months as above.

The PMUY loans are classified as credit impaired as on reporting date considering significant financial difficulty in case the customer has not taken any refill from past 24 months (2021: 24 months).

In case of other financial assets, there are certain credit impaired cases mainly due to breach of contract arising due to default or bankruptcy proceedings.

The movement in the loss allowance for impairment of financial assets at amortised cost during the year was as follows:

(₹ in crore)

2021-22	Opening Balance	ECL created during the year	ECL write Back	ECL written off/ Reclassifications	Closing Balance
	A	B	C	D	(A+B+C+D)
Trade Receivables					
Expected credit losses	11.45	221.40	-	-	**232.85**
Specific Provision	595.60	5.05	(431.25)	(6.45)	**162.95**
Total	**607.05**	**226.45**	**(431.25)**	**(6.45)**	**395.80**
Loans					
12 Months ECL	327.04	-	(130.13)	-	**196.91**
Life Time ECL- not credit impaired	196.31	-	(67.55)	-	**128.76**
Life Time ECL- credit impaired	555.66	112.36	(111.42)	-	**556.60**
Total	**1,079.01**	**112.36**	**(309.10)**	**-**	**882.27**
Security Deposits					
12 Months ECL	-	-	-	-	**-**
Life Time ECL- not credit impaired	-	-	-	-	**-**
Life Time ECL- credit impaired	1.40	0.02	-	-	**1.42**
Total	**1.40**	**0.02**	**-**	**-**	**1.42**
Other Financial assets					
12 Months ECL	-	-	-	-	**-**
Life Time ECL- not credit impaired	71.56	-	(71.56)	-	**-**
Life Time ECL- credit impaired	**189.02**	**35.32**	**(10.98)**	**(0.08)**	**213.28**
Total	**260.58**	**35.32**	**(82.54)**	**(0.08)**	**213.28**

NOTES TO FINANCIAL STATEMENTS

NOTE – 40 FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd...)

(₹ in crore)

2020-21	Opening Balance	ECL created during the year	ECL write Back	ECL written off/ Reclassifications	Closing Balance
	A	B	C	D	(A+B+C+D)
Trade Receivables					
Expected Credit Loss	12.87	0.62	(2.04)	-	**11.45**
Specific Provision	114.98	482.71	(2.14)	0.05	**595.60**
Total	**127.85**	**483.33**	**(4.18)**	**0.05**	**607.05**
Loans					
12 Months ECL	69.98	257.06	-	-	**327.04**
Life Time ECL- not credit impaired	126.39	69.92	-	-	**196.31**
Life Time ECL- credit impaired	360.29	197.26	(0.14)	(1.75)	**555.66**
Total	**556.66**	**524.24**	**(0.14)**	**(1.75)**	**1,079.01**
Security Deposits					
12 Months ECL	-	-	-	-	**-**
Life Time ECL- not credit impaired	-	-	-	-	**-**
Life Time ECL- credit impaired	1.50	-	(0.10)	-	**1.40**
Total	**1.50**	**-**	**(0.10)**	**-**	**1.40**
Other Financial assets					
12 Months ECL	-	-	-	-	**-**
Life Time ECL- not credit impaired	-	71.56	-	-	**71.56**
Life Time ECL- credit impaired	**132.76**	**58.53**	**(3.85)**	**1.58**	**189.02**
Total	**132.76**	**130.09**	**(3.85)**	**1.58**	**260.58**

C. Liquidity risk

The Company monitors its risk of shortage of funds using a liquidity planning tool. The Company seeks to manage its liquidity requirement by maintaining access to both short term and long term debt markets. In addition, Company has committed credit facilities from banks.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, commercial papers, bank loans, debentures, and leases. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual payments.

(₹ in crore)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2022						
Borrowings	5,512.96	31,401.95	23,303.76	44,297.07	6,282.76	**1,10,798.50**
Lease Obligations	-	852.02	1,255.14	2,994.64	3,562.52	**8,664.32**
Trade payables	3,063.66	39,405.68	-	-	-	**42,469.34**
Other financial liabilities	30,427.27	13,054.01	4,234.32	462.13	451.66	**48,629.39**
Financial guarantee contracts*	3,670.73	-	-	-	-	**3,670.73**
Derivatives	-	307.81	-	-	-	**307.81**
	42,674.62	**85,021.47**	**28,793.22**	**47,753.84**	**10,296.94**	**2,14,540.09**
Year ended March 31, 2021						
Borrowings	16,394.51	21,065.37	7,987.25	44,674.87	4,291.00	94,413.00
Lease Obligations	-	312.27	1,160.14	2,458.54	3,983.54	7,914.48
Trade payables	2,207.89	31,382.80	-	-	-	33,590.69
Other financial liabilities	29,310.76	9,686.36	4,347.09	517.68	329.81	44,191.70
Financial guarantee contracts*	5,488.50	-	-	-	-	5,488.50
Derivatives	-	252.65	-	-	-	252.65
	53,401.66	**62,699.45**	**13,494.48**	**47,651.09**	**8,604.35**	**1,85,851.02**

* Based on the maximum amount that can be called for under the financial guarantee contract.

NOTES TO FINANCIAL STATEMENTS

NOTE – 40 FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd...)

D. Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

E. Collateral

As Company has been rated investment grade by various domestic and international rating agencies, there has been no requirement of submitting any collateral for booking of derivative contracts. Company undertakes derivatives contract only with those counterparties that have credit rating above the internally approved threshold rating. Accordingly, Company does not seek any collaterals from its counterparties.

NOTE – 41: CAPITAL MANAGEMENT

The primary objective of the company's capital management is to maximise the shareholder value. Capital includes issued equity capital, share premium and all other equity reserves, attributable to the equity shareholders, for the purpose of the Company's capital management.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirements. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares to maintain or adjust the capital structure. The Company monitors capital using debt equity ratio, which is borrowings divided by equity. The Company's endeavour is to keep the debt equity ratio around 1:1.

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Borrowings	**1,10,798.50**	94,413.00
Equity Share Capital	**9,181.04**	9,181.04
Reserves and Surplus	**1,22,105.32**	1,01,319.00
Equity	**1,31,286.36**	**1,10,500.04**
Debt Equity Ratio	**0.84 : 1**	**0.85 : 1**

No changes were made in the objectives, policies or processes for managing capital during the financial year ended March 31, 2022 and March 31, 2021.

NOTE – 42: DISCLOSURES AS REQUIRED BY REGULATION 34(3) OF SEBI(LODR) REGULATIONS, 2015

In compliance of Regulation 34(3) of SEBI(LODR) Regulations 2015, the required information are given as under:

(₹ in crore)

	Amount as at		Maximum Amount outstanding during the year ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
I. Loans and Advances in the nature of loans:				
A) To Subsidiary Companies	**-**	-	**-**	-
B) To Associates /Joint Venture				
(i) Petronet V. K. Limited (Refer Note-1)	**113.29**	107.05	**113.29**	107.05
(ii) Suntera Nigeria 205 Limited. (Refer Note-2)	**162.52**	156.77	**162.52**	161.90
(iii) IndianOil LNG Private Limited	**-**	-	**-**	135.00
(iv) Indian Oiltanking Limited	**15.00**	15.00	**15.00**	15.00

NOTES TO FINANCIAL STATEMENTS

NOTE-42: DISCLOSURES AS REQUIRED BY REGULATION 34(3) OF SEBI(LODR) REGULATIONS, 2015 (Contd...)

(₹ in crore)

	Amount as at		Maximum Amount outstanding during the year ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
C) To Firms/Companies in which directors are interested	-	-	-	-
II. Investment by the loanee (as detailed above) in the shares of IOC and its subsidiaries	-	-	-	-

Notes:

1 During the period, an amount of ₹ 110.90 crore has been provided for against loan provided to Petronet VK Limited as Impairment Loss on financial asset.

2 As per the applicable provisions of Indian Accounting Standards, the loan given to Suntera Nigeria 205 Ltd. is measured at fair value through the Statement of Profit and Loss in the financial statements and fair value of the loan is **₹ 141.02 crore** as at March 31, 2022 (2021: ₹ 121.51 crore). Refer Note -39 for further details regarding fair valuation.

NOTE – 43: DUES TO MICRO AND SMALL ENTERPRISES

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is given below:

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Amount due and Payable at the year end		
- Principal *	**1,398.32**	971.05
- Interest on above Principal	**-**	-
Payments made during the year after the due date		
- Principal	**-**	-
- Interest	**-**	-
Interest due and payable for principals already paid	**-**	-
Total Interest accrued and remained unpaid at year end	**-**	-
Further Interest remaining due and payable in succeeding year	**-**	-

*Amount of **₹ 598.48 crore** (2021: ₹ 424.04 crore) included in Note 17: Other Financial Liabilities.

NOTES TO FINANCIAL STATEMENTS

NOTE – 44 RESEARCH AND DEVELOPMENT COSTS

Research and Development Expenses of **₹ 259.68 crore** (2021: ₹ 226.16 crore) have been capitalized and **₹ 316.87 crore** (2021 : ₹ 282.79 crore) have been accounted for in the Statment of Profit and Loss during the year. Detailed break up of total expenditure are as under:

A. CAPITAL EXPENSES (Property, Plant and Equipment)

(₹ in crore)

S. No.	Asset Block	Gross Block as at April 1, 2021	Additions during the year	Transferred from CWIP	Transfer/ Deduction/ Disposal during the year	Gross Block as at March 31, 2022	Work-in-Progress as at April 1, 2021	Additions during the year	Transferred to Fixed Assets (Capitalized)	Work-in-Progress as at March 31, 2022	Total Capital Expenditure
1	2	3	4	5	6	7 = (3+4+5-6)	8	9	10	11 = (8+9-10)	12=(4+5+11-8)
(a)	**Property, Plant and Equipment**										
1	Land - Free Hold	373.43	-	-	-	**373.43**	-	-	-	**-**	**-**
2	Building, Roads etc	106.94	0.37	1.93	1.48	**107.76**	58.01	95.59	1.93	**151.67**	**95.96**
3	Plant & Equipment	807.44	44.38	64.09	14.48	**901.43**	133.08	105.29	64.09	**174.28**	**149.67**
4	Office Equipment	39.11	3.76	1.03	2.56	**41.34**	0.08	0.98	1.03	**0.03**	**4.74**
5	Transport Equipment	0.06	-	-	-	**0.06**	-	-	-	**-**	**-**
6	Furniture & Fixtures	16.62	0.58	0.66	0.49	**17.37**	-	1.62	0.66	**0.96**	**2.20**
7	Drainage & Sewage	1.42	-	-	-	**1.42**	-	-	-	**-**	**-**
8	ROU Asset	0.38	-	-	-	**0.38**	-	-	-	**-**	**-**
	Sub Total	**1,345.40**	**49.09**	**67.71**	**19.01**	**1,443.19**	**191.17**	**203.48**	**67.71**	**326.94**	**252.57**
(b)	**Intangible Assets**										
1	Right of way	-	-	-	-	**-**	-	-	-	**-**	**-**
2	Licenses / Technical Know-how	0.11	-	-	-	**0.11**	-	-	-	**-**	**-**
3	Computer Software	31.51	7.11	-	0.56	**38.06**	1.13	-	-	**1.13**	**7.11**
		31.62	**7.11**	**-**	**0.56**	**38.17**	**1.13**	**-**	**-**	**1.13**	**7.11**
	Total	**1,377.02**	**56.20**	**67.71**	**19.57**	**1,481.36**	**192.30**	**203.48**	**67.71**	**328.07**	**259.68**

(₹ in crore)

S. No.	Asset Block	Gross Block as at April 1, 2020	Additions during the year	Transferred from CWIP	Transfer/ Deduction/ Disposal during the year	Gross Block as at March 31, 2021	Work-in-Progress as at April 1, 2020	Additions during the year	Transferred to Fixed Assets (Capitalized)	Work-in-Progress as at March 31, 2021	Total Capital Expenditure
1	2	3	4	5	6	7 = (3+4+5-6)	8	9	10	11 = (8+9-10)	12=(4+5+11-8)
(a)	**Property, Plant and Equipment**										
1	Land - Free Hold	377.26	-	-	3.83	373.43	-	-	-	-	-
2	Building, Roads etc	104.45	0.78	2.13	0.42	106.94	36.14	24.00	2.13	58.01	24.78
3	Plant & Equipment	688.47	43.39	75.22	(0.36)	807.44	67.63	140.67	75.22	133.08	184.06
4	Office Equipment	29.52	7.85	3.92	2.18	39.11	0.60	3.40	3.92	0.08	11.25
5	Transport Equipment	0.06	-	-	-	0.06	-	-	-	-	-
6	Furniture & Fixtures	16.25	0.57	0.03	0.23	16.62	-	0.03	0.03	-	0.60
7	Drainage & Sewage	1.42	-	-	-	1.42	-	-	-	-	-
8	ROU Asset	0.38	-	-	-	0.38	-	-	-	**-**	-
	Sub Total	**1,217.81**	**52.59**	**81.30**	**6.30**	**1,345.40**	**104.37**	**168.10**	**81.30**	**191.17**	**220.69**
(b)	**Intangible Assets**										
1	Right of way	-	-	-	-	**-**	-	-	-	-	-
2	Licenses / Technical Know-how	0.11	-	-	-	0.11	-	-	-	-	-
3	Computer Software	20.69	2.96	7.86	-	31.51	6.48	2.51	7.86	**1.13**	5.47
	Sub Total	**20.80**	**2.96**	**7.86**	**-**	**31.62**	**6.48**	**2.51**	**7.86**	**1.13**	**5.47**
	Total	**1,238.61**	**55.55**	**89.16**	**6.30**	**1,377.02**	**110.85**	**170.61**	**89.16**	**192.30**	**226.16**

NOTES TO FINANCIAL STATEMENTS

NOTE - 44 : RESEARCH AND DEVELOPMENT COSTS (Contd...)

B. RECURRING EXPENSES

(₹ in crore)

Particulars	2021-22	2020-21
1 Consumption of Stores, Spares & Consumables	**12.13**	9.78
2 Repairs & Maintenance		
(a) Plant & Machinery	**12.95**	11.74
(b) Building	**7.59**	7.95
(c) Others	**2.36**	2.33
3 Freight, Transportation Charges & demurrage	**0.06**	0.09
4 Payment to and Provisions for employees	**179.69**	178.36
5 Office Administration, Selling and Other Expenses	**102.05**	72.51
6 Interest	**0.04**	0.03
Total	**316.87**	**282.79**

C. TOTAL RESEARCH EXPENSES

(₹ in crore)

Particulars	2021-22	2020-21
Capital Expenditure	**259.68**	226.16
Recurring Expenditure	**316.87**	282.79
Total	**576.55**	**508.95**

NOTE – 45: DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

The disclosure in respect of CSR Expenditure is as under:

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Gross amount required to be spent by the Company during the year (2% of Avg Net Profit as per Section 135(5))	**323.14**	342.00
Surplus arising out of CSR Project	**-**	-
Set Off Available from Previous Years	**118.37**	-
Total CSR Obligation for the year	**204.77**	**342.00**
Amount approved by the Board to be spent during the year	**455.05**	460.37
Amount Spent during the Year	**298.29**	460.37
Set Off available for succeeding years	**93.52**	118.37
Amount Unspent during the year	**-**	-

NOTES TO FINANCIAL STATEMENTS

NOTE–45: DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE (Contd...)

Amount spent during the year on:

(₹ in crore)

Particulars	2021-22			2020-21		
	In cash	Yet to be paid In cash**	Total	In cash	Yet to be paid In cash**	Total
(i) Construction/acquisition of any assets	**-**	**-**	**-**	-	-	-
(ii) On purposes other than (i) above						
Health and Sanitation	**68.65**	**1.48**	**70.13**	28.48	1.06	29.54
Contribution towards PMUY	**7.00**	**-**	**7.00**	-	-	-
Flagship Projects-CSR	**13.42**	**0.35**	**13.77**	12.27	0.42	12.69
Educational Scholarship	**2.26**	**-**	**2.26**	1.21	-	1.21
Swachh Bharat	**11.34**	**0.59**	**11.93**	9.85	6.53	16.38
Education/employment vocational skills	**56.55**	**0.62**	**57.17**	82.31	2.68	84.99
Drinking Water	**4.62**	**0.21**	**4.83**	10.15	0.80	10.95
Promotion of National Heritage, Art and Culture	**0.31**	**-**	**0.31**	11.94	0.01	11.95
COVID 19	**91.01**	**1.23**	**92.24**	251.17	1.31	252.48
Administration Expenses, training etc.	**14.20**	**-**	**14.20**	15.37	-	15.37
Impact Assessment	**0.04**	**0.01**	**0.05**	-	-	-
Other expenses	**24.03**	**0.37**	**24.40**	23.15	1.66	24.81
Total Expenses (ii)	**293.43**	**4.86**	**298.29**	**445.90**	**14.47**	**460.37**
Grand Total (i) and (ii)	**293.43**	**4.86**	**298.29**	**445.90**	**14.47**	**460.37**

**Provisions made for liabilities incurred

NOTE – 46: DISCLOSURE ON GOVERNMENT GRANTS

A. Revenue Grants

1 Subsidies on sales of SKO (PDS) and LPG (Domestic)

Subsidies on sales of SKO (PDS) in India amounting to **₹ 154.21 crore** (2021: ₹ 72.46 crore) and subsidies on sales of LPG (Domestic) to customers in Bhutan amounting to **₹ 6.44 crore** (2021: ₹ 3.13 crore) have been reckoned as per the schemes notified by Governments.

2 Export of Notified Goods under MEIS Claims/RoDTEP scheme

The Company has recognised **₹ 3.64 crore** (2021: ₹ 0.02 crore) on export of notified goods under Merchandise Exports from India Scheme (MEIS)/ Remission of Duties and Taxes on Exported Products (RoDTEP) scheme in the Statement of Profit and Loss as Revenue Grant.

3 Stipend to apprentices under NATS/NAPS scheme

As per Ministry of HRD & Skill development and Enterpreneurship, a portion of stipend and basic training cost for apprentices will be reimbursed to employer by Government under National Apprenticeship Training Scheme (NATS) and National Apprenticeship Promotion Scheme (NAPS), subject to prescribed threshhold limit. The Company has recognised grant in respect of stipend paid to apprentices & Basic training cost under NATS & NAPS amounting to **₹ 5.24 crore** (2021: ₹ 2.43 crore) as Revenue Grant.

4 Grant in respect of revenue expenditure for research projects

During the year, the Company has received revenue grant of **₹ 1.62 crore** (2021: ₹ 1.59 crore) in respect of meeting out revenue expenditure such as Manpower, Consumables, Travel & Contingency etc for research projects undertaken with various agencies.

NOTES TO FINANCIAL STATEMENTS

NOTE–46: DISCLOSURE ON GOVERNMENT GRANTS (Contd...)

5 Incentive on sale of power

Company is getting incentive from Department of Renewable Energy, GOI for wind power generation of Electricity at the rate of ₹ 0.50 paise for per unit of power generated. The Company has received grant of **₹ 2.37 crore** during the current year (2021: ₹ 2.08 crore).

6 EPCG Grant

Grant recognized in respect of duty waiver on procurement of capital goods under EPCG scheme of Central Govt. which allows procurement of capital goods including spares for pre production and post production at zero duty subject to an export obligation of 6 times of the duty saved on capital goods procured. The unamortized grant amount as at March 31, 2022 is **Nil** (2021:Nil) . During the year, the Company has recognised **Nil** (2021: ₹ 39.89 crore) in the Statement of Profit and Loss as amortisation of revenue grant.

7 Excise duty benefit in North East

Excise duty exemption of 50% of goods manufactured and cleared from north east refineries has been reckoned at full value in revenue and on net basis in expenses under 'Excise Duty' (to the extent of duty paid). Financial impact for the current year is **₹ 5426.43 crore** (2021: ₹ 5655.21 crore).

8 Viability Gap Funding (VGF)

The Company has received grant in the form of interest free loans from Orissa Government for a period of 15 years.The unamortized grant amount as at March 31, 2022 is **₹ 2372.48 crore** (2021: ₹ 2065.16 crore). During the year, the Company has recognised **₹ 176.05 crore** (2021: ₹ 144.86 crore) in the Statement of Profit and Loss as amortisation of grants.

B. Capital Grants

1 OIDB Government Grant for strengthening distribution of SKO (PDS)

The Company has received government grant from OIDB (Oil Industry Development Board) for strengthening distribution of PDS Kerosene as per the directions of MoP&NG to be used in construction of 20KL underground Tank, Mechanical Dispensing Units and Barrel Shed. The unamortized capital grant amount as at March 31, 2022 is **₹ 0.59 crore** (2021: ₹ 0.76 crore). During the year, the Company has recognised **₹ 0.17 crore** (2021: ₹ 0.25 crore) in Statement of Profit and Loss as amortisation of capital grants.

2 Capital Grant in respect of Excise duty, Custom duty and GST waiver

The Company has received grant in respect of Custom duty waiver on import on capital goods,Excise duty waiver and GST waiver on purchase of goods from local manufacturer in India under the certificate issued by Department of Scientific and Industrial Research (DSIR). The unamortized capital grant amount as at March 31, 2022 is **₹ 75.59 crore** (2021: ₹ 67.77 crore) The goods so imported or procured from local manufacturer shall not be transferred or sold for a period of five years from date of installation. During the year, the Company has recognised **₹ 11.70 crore** (2021: ₹ 10.85 crore) in the Statement of Profit and Loss as amortisation of capital grants.

3 Capital Grant in respect of Research projects

The Company has received capital grant from various agencies in respect of procurement/ setting up of Capital assets for research projects undertaken. The unamortized capital grant amount as at March 31, 2022 is **₹ 9.01 crore** (2021: ₹ 11.19 crore). During the year, the Company has recognised **₹ 2.70 crore** (2021: ₹ 2.60 crore) in the Statement of Profit and Loss as amortisation of capital grants.

4 Capital Grant in respect of Entry Tax Exemption from Odisha Govt.

Entry Tax exemption received from Odisha Government for Paradip Refinery Project has been recognized as Capital Grant and grossed up with the concerned Assets.The unamortized capital grant amount as at March 31, 2022 is **₹ 100.22 crore** (2021: ₹ 105.55 crore). During the year, the Company has recognised **₹ 5.34 crore** (2021: ₹ 5.47 crore) in the Statement of Profit and Loss as amortisation of capital grants.

NOTES TO FINANCIAL STATEMENTS

NOTE–46: DISCLOSURE ON GOVERNMENT GRANTS (Contd...)

5 Capital Grant in respect of demonstration unit

Grant received from OIDB for setting up of demonstration unit at Guwahati refinery with the company's R&D developed IndaDeptG technology and also for Ethanol production from Refinery off gases at Panipat Refinery. The unamortized capital grant amount as at March 31, 2022 is **₹ 377.97 crore** (2021: ₹ 173.27 crore). During the year, the Company has recognised **₹ 4.38 crore** (2021: ₹ 4.38 crore) in the Statement of Profit and Loss as amortisation of capital grants.

6 Capital Grant in respect of interest subsidy

The Company has received capital grant in respect of interest subsidy on loans taken from OIDB. The unamortized capital grant amount as at March 31, 2022 is **₹ 11.33 crore** (2021: ₹ 26.32 crore). During the year, the Company has recognised **₹ 0.36 crore** (2021: ₹ 0.51 crore) in the Statement of Profit and Loss as amortisation of capital grants.

7 Capital Grant in respect of Solar Power Generation

The Company has received capital financial assistance from Ministry of New and Renewable Energy in respect of procurement and installation of Solar Panels for Power Generation.The unamortized capital grant amount as at March 31, 2022 is **₹ 3.78 crore** (2021: ₹ 3.96 crore). During the year, the Company has recognised **₹ 0.19 crore** (2021: ₹ 0.18 crore) in the Statement of Profit and Loss as amortisation of capital grants.

8 Capital Grant from Nepal Government

The Company has received grant from Nepal Government by way of waiver of Local taxes on goods/services procured locally in Nepal and Import Duty for goods/services imported into Nepal. The Company has recognised **₹ 1.12 crore** (2021: ₹ 1.05 crore) in Statement of Profit & Loss. The unamortized balance is **₹ 11.69 crore** (2021: ₹ 12.42 crore)

NOTE – 47: REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company is in the business of oil and gas and it earns revenue primarily from sale of petroleum products, petrochemicals,Gas, E&P and Others. Revenue are recognized when control of the goods and services are transferred to the customer.

Generally, Company enters into contract with customers:

a. On delivered basis in case of Retail Sales, LPG and Aviation.

b. On Ex-Marketing Installation as well as delivered basis in case of Lubes and Consumers.

c. On FOB or CIF basis depending on terms of contract in case of Export sales.

Majority of Company's sales are to retail category which are mostly on cash and carry basis. Company also execute supply to Institutional Businesses(IB), Lubes , Aviation on credit which are for less than a year.

For maintaining uninterrupted supply of products, customers generally deposit amount in advance with the Company against which orders for purchase of products are placed by the customers. Based on these orders, supply is maintained by the Company and revenue is recognized when the goods are delivered to the customer by adjusting the advance from customers. Revenue in cases of performance obligation related to delivered sales are recognized in time based on delivery of identified and actual goods and no significant judgement is involved.

The Company also extends volume/slab based discounts to its customers on contract to contract basis for upliftment of products and it is adjusted in revenue as per the terms of the contract. Company also runs loyalty programmes and incentive schemes for its retail and bulk customers. Loyalty points are generated and accumulated by the customers on doing transactions at Company's outlet which can be redeemed subsequently for fuel purchases from Company outlets. Revenue is recognized net of these loyalty points and incentive schemes.

Besides this, though not significant, the Company also undertakes construction contracts on deposit basis. Revenue is recognized for these contracts overtime using input based on cost incurred. Similarly non-refundable deposits received from Retail Outlets (ROs) are recognized as revenue over time on proportionate basis.

NOTES TO FINANCIAL STATEMENTS

NOTE–47: REVENUE FROM CONTRACTS WITH CUSTOMERS (Contd...)

Bifurcation of Total Revenue into Revenue from contract with customers and other sources of revenue as per requirement of Ind AS is given below:

(₹ in crore)

	2021-22	2021-22
Total Revenue (A+D)	**7,28,459.94**	**5,14,890.47**
Revenue from contract with customers (A)	**7,26,449.95**	5,12,435.71
Recognized from contract liability balance of previous year (B)	**3,714.04**	4,290.55
Recognized from contracts initiated in current year (C)	**7,22,735.92**	5,08,145.16
Revenue from other contracts/from others (D)	**2,009.99**	2,454.76

An amount of **₹ 226.45 crore** (2021: ₹ 483.48 crore) on account of impairment losses on receivables is recognised under the head Impairment Loss on Financial Assets on the face of Statement of Profit and Loss.

The Company discloses information on reportable segment as per Ind AS 108 under Note 38 - Segmental Information. An amount of **₹ 689.76 crore** (2021: ₹ 572.84 crore) is recognised over time under Revenue from contract with customers.

(₹ in crore)

	Receivables	Contract Asset	Contract Liability
Opening Balance	13,427.62	-	5,648.19
Closing Balance	18,221.78	-	7,157.53

The Company has applied practical expedient as per IndAS 115 in case of delivered sales, advance from customers where the performance obligation is part of the contract and the original expected duration is one year or less and in case of construction contracts/deposit works wherein the company has a right to consideration from customer that correspond directly with the value of the entity's performance completed for the customer.

NOTE - 48: ADDITIONAL REGULATORY INFORMATION AS PER SCHEDULE III OF COMPANIES ACT 2013

1. Ratios

	Numerator	Denominator	2021-2022	2020-2021	% Variance	Reason for Variance
Current Ratio (Times) *	Current Assets	Current Liabilities	0.76	0.73	4%	
Debt Equity Ratio (Times)	Total Debt (i.e. Non-Current Borrowings + Current Borrowings)	Total Equity	0.84:1	0.85:1	-1%	
Debt Service Coverage Ratio (Times)	Profit after Tax + Finance Cost in P&L + Depreciation	Finance Cost (P&L + Capitalised) + Lease & Principal Repayments (Long-term)	4.93	5.00	-1%	
Return on Equity (%)	Profit after Tax	Average Total Equity	20.00%	21.38%	-6%	
Inventory Turnover (Times)	Sales (Net of Discounts)	Average Inventory	7.98	7.20	11%	
Trade Payables Turnover (Times)	Purchase of Raw Material + Purchase of Stock-in-Trade + Other Expenses	Average Trade Payables	14.95	11.64	28%	Variation majorly on account of increase in purchase value due to rise in prices of Raw Material in the international market as compared to previous year.

NOTE - 48: ADDITIONAL REGULATORY INFORMATION AS PER SCHEDULE III OF COMPANIES ACT 2013 (Contd...)

	Numerator	Denominator	2021-2022	2020-2021	% Variance	Reason for Variance
Trade Receivables Turnover (Times)	Sales (Net of Discounts)	Average Trade Receivables	45.95	38.96	18%	Variation majorly on account of increase in sales due to rise in prices of Products as compared to previous year.
Net Capital Turnover (Times) *	Sales (Net of Discounts)	Average Working Capital (i.e. Current Assets - Current Liabilities)	(17.00)	(11.61)	46%	
Net Profit Ratio (%)	Profit after Tax	Revenue from Operation	3.32%	4.24%	-22%	
Return on Capital Employed (%)	Profit before Tax + Finance Cost	Average of (Total Equity + Total Debt + Deferred Tax Liabilities)	15.44%	15.20%	2%	
Return on Investment (%)						
- Equity in Subsidiary/ Associates & JVs	Closing Value of Investment + Dividend during the year - (Opening Value of Investment + Additional Investment during the year)	Opening Value of Investment + (Additional Investment during the year - Dividend during the year)/2	4.69%	5.08%	-8%	
- Equity in Others			64.19%	59.50%	8%	
- Preference Shares			-0.11%	7.99%	-101%	Variation majorly on account of change in fair value of investment as at 31.03.2022.
- Govt. Securities (Non-current+Current)			4.70%	6.81%	-31%	
- Debentures or Bonds			1.29%	12.71%	-90%	

* In line with EAC opinion received in FY 2018-19, Security Deposits amounting to **₹ 29,442.61 crore** (2021: ₹ 28,029.44 crore) obtained from LPG consumers are consistently treated as current liabilities as the Company does not have unconditional right to defer settlement of the same upon demand from consumers. However, based on past experience, it is observed that there is net increase in security deposits and refund claim from consumers is insignificant.

NOTES TO FINANCIAL STATEMENTS

NOTE - 48 : ADDITIONAL REGULATORY INFORMATION AS PER SCHEDULE III OF COMPANIES ACT 2013 (Contd...)

2 Title deeds of Immovable Property not held in the name of the Company

A Cases continuing from previous year:

(₹ in crore)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value		Title deeds held in the name of		Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Under Dispute (Yes/ No)	Reason for not being held in the name of the company
		31.03.2022	31.03.2021						
PPE	**Land**								
	Land allotted by Govt. of Assam	0.16	0.16	Government of Assam		No	1962	No	Land measuring 60.50 Acre not registered in the name of IOCL, GR for which follow is being made with the government
	Freehold Land-Refinery	0.20	0.20	Government of Bihar		No	1959	Yes	The matter related to the claim of District Authorities, for additional cost of Registration charges, is pending with the Hon'ble High Court, Patna.
	Land at Mathura Refinery	10.18	10.18	Government of Uttar Pradesh		No	1977	No	Approval for lease deed & execution is pending at the level of Department of Industries, UP Govt., Lucknow.
	Land of Calico Mill, Baroda	31.99	31.99	Gujarat Industrial Development Corporataion		No	2006	Yes	Case is pending in High Court
	Leased land at Paradip	0.04	0.04	Government of Orissa		No	2019	No	Transfer of land in name of IOCL is under process
	Land at Jobra Barrage Water Intake Facility	27.54	27.54	Government of Orissa		No	2010	No	Transfer of land in name of IOCL is under process
	Leased land at Paradip	4.83	4.83	Government of Orissa		No	2010	No	Transfer of land in name of IOCL is under process
	CTMPL RCP land at Reddimangudii*	0.00	0.00	Nalluswamy Ramar		No	30.05.05	No	Purchase process for the private land portion shall be completed after receiving demand from Government.
	Land	0.01	0.01	Not available		No	07.11.95	No	The title deed is not available either with the functional department or with the law department. Action has been taken to retrieve the documents.
	Land	0.02	0.02	RAMAVATHI/ LEGAL HEIRS		No	20.03.95	Yes	Title Appeal has been filed before Jharkhand High Court. Approval for the same is accorded.
	Land*	0.00	0.00	RAMAVATHI/ LEGAL HEIRS		No	28.04.95	Yes	Title Appeal has been filed before Jharkhand High Court. Approval for the same is accorded.
	Land	51.90	51.90	Govt. of Assam		No	18.02.17	No	Entry of the name of IOCL in Jamabandi/Mutation record is pending.
	Land	0.10	0.10	BPCL		No	01.10.90	No	The land has been registered in the name of BPCL. BPCL has demarcated 77,540.00 Sqm of land in the name of IOCl.
	Land	0.52	0.52	Kerala state Government (GCDA)		No	31.03.03	No	Retail sales dept is following up with Govt. Secretary and GCDA for registration.
	Land	5.77	5.77	Indian Railways		No	31.03.94	Yes	The said land had been exchanged with railways for construction of railway siding and the same had not been registered. However a person had disputed the title in the court claiming that they have registered documents to portion of the land (400 Sq.Yards) . Pending the decision of the Railways and the legal case, IOC is unable to go ahead with the registration of land.
	ROU - Leasehold Land	0.01	0.01	Not available		No	31.12.93	No	The title deed is not available either with the functional department or with the law department. Action has been taken to retrieve the documents.
	ROU - Leasehold Land (3 cases)	0.08	0.08	TISCO		No	14.11.96	No	The Land has been awarded to TISCO during British Govt. Embargo from State Govt. over Subleasing to IOCL.
	ROU - Leasehold Land	0.01	0.01	TISCO		No	14.12.96	No	The Land has been awarded to TISCO during British Govt. Embargo from State Govt. over Subleasing to IOCL.
	ROU - Leasehold Land	0.05	0.05	TISCO		No	19.11.96	No	The Land has been awarded to TISCO during British Govt. Embargo from State Govt. over Subleasing to IOCL.

NOTES TO FINANCIAL STATEMENTS

NOTE - 48 : ADDITIONAL REGULATORY INFORMATION AS PER SCHEDULE III OF COMPANIES ACT 2013 (Contd...)

(₹ in crore)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value 31.03.2022	Gross carrying value 31.03.2021	Title deeds held in the name of		Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Under Dispute (Yes/ No)	Reason for not being held in the name of the company
PPE	ROU - Leasehold Land (37 cases)	321.04	326.39	IAF		No	30.08.11	No	AFS Umbrela Agreement/MOU, but no individual Agreement
	ROU - Leasehold Land	1.94	1.94	Mumbai Port Trust		No	01.04.98	No	A letter was submitted to MbPT Chairman office requesting waiving of interest on arrear and renewal of expired lease. The concerned location is following up with MbPT .
	ROU - Leasehold Land	1.84	1.92	Indian Railways		No	01.04.18	No	Draft lease deed has been submitted to Railway. Awaiting confirmation from them.
	ROU - Leasehold Land (2 cases)	0.48	0.48	MP Government		No	01.04.94	No	Title deed is pending for execution with MP Government Revenue land office, lease rent payment is being made as per negotiated rate.
	ROU - Leasehold Land*	0.00	0.00	Northern Coalfields Limited		No	17.07.92	No	Lease deed with NCL for Jayant Depot land is not available with IOCL and NCL. In view of the fact, that IOCL is supplying product to other Retail Outlet and Kerosene agency from Jayant Depot, the lease agreement might not have been concluded.
	ROU - Leasehold Land	0.10	0.10	Tuticorn Port Trust		No	31.07.98	Yes	The lease agreement not yet signed due to dispute with Tuticorin Port Trust on incorporation of MGT clause
PPE	Building								
	NBCC_Type VI Flats & Parking_ Kidwai Nagar	20.42	20.42	NBCC		No	28.12.18	No	Under process to be registered through L&DO Office, MHA
	NBCC Commercial Space	231.02	231.02	NBCC		No	31.03.21	No	Under process to be registered through L&DO Office, MHA
	NBCC_Building_Type V Flats	17.67	17.67	NBCC		No	20.07.20	No	Under process to be registered through L&DO Office, MHA
	Building	5.42	5.42	Govt. of West Bengal		No	26.07.89	No	The executed deed was not registered after taking over the building. Mutation of this plot of Land & Building is not available.
	Building	0.01	0.01	M/s Bonny Enterprise		No	01.04.84	No	No one from Bonny Enterprise is traceable. Probably Bonny enterprise is closed. Therefore, Title Deed cannot be executed
	Building	0.04	0.04	M/s Bonny Enterprise		No	16.05.83	No	No one from Bonny Enterprise is traceable. Probably Bonny enterprise is closed. Therefore, Title Deed cannot be executed
	Building (3 cases)	0.05	0.05	M/s Bonny Enterprise		No	29.04.85	No	No one from Bonny Enterprise is traceable. Probably Bonny enterprise is closed. Therefore, Title Deed cannot be executed
	Building	0.06	0.06	Mukund Constructions		No	29.02.84	Yes	Matter under Litigation for execution of sale deed

B Cases added during the year:

(₹ in crore)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value 31.03.2022	Gross carrying value 31.03.2021	Title deeds held in the name of		Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Under Dispute (Yes/ No)	Reason for not being held in the name of the company
PPE	Land*	0.00		Govt. of Assam		No	31.03.82	No	Mutation is pending.
	Land	0.01		Govt. of Assam		No	14.03.85	No	Mutation is pending.
	Land*	0.00		Not available		No	01.01.59	No	Title Deed is not available or found. Re-generation of title deed is in process for making an application to Sub registrar.

NOTES TO FINANCIAL STATEMENTS

NOTE - 48 : ADDITIONAL REGULATORY INFORMATION AS PER SCHEDULE III OF COMPANIES ACT 2013 (Contd...)

C Cases settled during the year:

(₹ in crore)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value		Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Under Dispute (Yes/ No)	Reason for not being held in the name of the company
		31.03.2022	31.03.2021					
	Land							
	Land		320.43	Indian Oil Corporation Limited	No	01.09.19	No	Not Applicable
	Land		1.82	Govenrment	No	31.03.21	No	Final allotment letter was awaited from Government
	Land		35.37	Govenrment	No	03.02.17	No	Final allotment letter was awaited from Government
PPE	ROU ASSETS - Land*		0.00	Not available	No	04.09.73	No	Reconciliation of the property has been concluded with the Functional Department wherein it has been found that the title deed is not available either with the functional department or with the law department. Action has been taken to retreive the documents.
	ROU ASSETS - Land (46 cases)		173.97	AAI	No	01.11.86	No	AFS Umbrela Agreement, but no individual Agreement
	ROU ASSETS - Land		0.18	SAIL	No	12.07.15	No	Registration pending.
	Land		12.08	PUDA	No	22.03.21	No	Payment pending for land procurement

*Following's carrying value is not reflected above due to rounding off:

Description of item of property	Title deeds held in the name of	Gross carrying value (In ₹)	
		31.03.2022	31.03.2021
CTMPL RCP land at Reddimangudii	Nalluswamy Ramar	**30,000**	30,000
Land	Ramavathi / Legal heirs	**25,540**	25,540
ROU - Leasehold Land	Northern Coalfields Limited	**1**	1
Land	Govt. of Assam	**45,000**	
Land	Not available	**24,416**	
ROU ASSETS - Land	Not available		5,096

NOTES TO FINANCIAL STATEMENTS

NOTE - 48 : ADDITIONAL REGULATORY INFORMATION AS PER SCHEDULE III OF COMPANIES ACT 2013 (Contd...)

3 Relationship with Struck off Companies

(in ₹)

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding	
		March 31, 2022	March 31, 2021
Hotel Dynasty	Payables	**52,573**	-
Grand Marshall Engineers Private Limited	Payables	**12,537**	-
Skpei Engineering Works Private Limited	Payables	**-**	-
Vidhoo Industrial Service Private Limited	Payables	**2,107**	2,107
Paonta Technologies & Solutions Private Limited	Payables	**5,520**	5,520
Bharati Instrumentation Private Limited	Payables	**52**	52
Spectacular Advertising & Events Private Limited	Payables	**10,931**	10,931
3I Computers Private Limited	Payables	**11,300**	11,300
Unique Energies Private Limited	Payables	**8,175**	8,175
Promises Medical Equipments Private Limited	Payables	**-**	8,395
DLS Enterprises Private Limited	Payables	**-**	352
Kamrupinyae Infrastructures Private Limited	Payables	**-**	3,45,030
Amstar Infrastructure India Private.Limited	Payables	**-**	1,18,542
Shree Sai Ip Consultant Private Limited	Payables	**-**	-
Arvind Singh Consultants Private Limited	Payables	**-**	-
Maypri Foods Private Limited	Payables	**-**	-
Aditya Inkjet Technologies Private Limited	Payables	**1,892**	41,653
Murthy Electronics Private Limited	Payables	**2,541**	1,56,936
Linear Point Surveys Private Limited	Payables	**-**	-
First Office Solutions India Private Limited	Payables	**14,100**	-
Kdc Infra Projects Private Limited	Receivables	**1,08,500**	6,39,163
Khazina Digital Private Limited	Receivables	**(5,07,000)**	(5,07,000)
Salai Energy Solutions Private Limited	Receivables	**(3,86,890)**	(7,53,237)
Emanar Enterprise Private Limited	Receivables	**-**	14,720
Zeba Construction & Dev P Limited	Receivables	**-**	(1,551)
Yumiko Global Infratech Private Limited	Receivables	**(5,000)**	-
Rc Residency Private Limited	Receivables	**-**	(2,866)
Deonarayan Pawan Construction Private Limited	Receivables	**-**	(8,069)
Vacha Energy Ventures Private.Limited	Receivables	**-**	(2,201)
Gabharu Infracon Private Limited	Receivables	**(56,804)**	(56,804)
Idha E Tail Arks Private Limited	Receivables	**65**	65
Dalhousie Jute Co Limited	Receivables	**(3,26,345)**	(2,51,556)
Chenari Construction Private Limited	Receivables	**-**	(921)
Eco E Waste Recyclers India Private Limited	Receivables	**-**	-
Barnagore Jute Factory Co.Limited	Receivables	**(27,223)**	(8,774)
Singh Brothers Construction Private Limited	Receivables	**(1,111)**	(1,111)
Fairwinds Aviation Private Limited	Receivables	**(4,441)**	(3,193)
Kumar Engicon & Agency Private Limited	Receivables	**-**	(621)
Birendra Nag Constuction Private Limited	Receivables	**(900)**	-
R & S Construction Private Limited	Receivables	**-**	(6,815)
Palamu And Shivam Construction Private Limited	Receivables	**-**	(78,139)
Sri Ram Technocrate Private Limited	Receivables	**-**	(17,523)
Rs - Srivaru Exim Private Limited	Receivables	**-**	-

Note: The Company does not have any relationship with the above mentioned struck-off companies.

NOTES TO FINANCIAL STATEMENTS

NOTE – 49: OTHER DISCLOSURES

1 In order to provide clean cooking fuel to BPL families, Government has approved "Pradhan Mantri Ujjwala Yojana (PMUY)" scheme where free LPG connections are issued by Oil Marketing Companies (OMCs) to the women belonging to the Below Poverty Line (BPL) households as per SECC -2011 (Rural) database. The scheme was launched on May 1, 2016. As per the scheme, the initial cost towards connection charges (Refundable deposit) would be borne by the Central Government for each card holder. Few State Governments have also extended this scheme to other beneficiaries. As per the scheme, OMCs would provide an option for EMI/Loans towards cost of burner and 1st refill to the PMUY consumers. The loan amount is to be recovered from the subsidy amount payable by the government to the customers on each refill sale. During the year, discounting of the loan has been done based on assumption of 4 refills in a year and respective average subsidy rate per cylinder under different range of subsidy buckets.

The amount of outstanding as at March 31, 2022 towards PMUY claim from Central Government is **₹ 8.63 crore** (2021: ₹ 6.38 crore) and loan to PMUY consumers is **₹ 2770.67 crore** (2021: ₹ 3022.58 crore) (net of recovery through subsidy). Against the above loan, a provision for doubtful loans amounting to **₹ 601.46 crore** (2021: ₹ 910.45 crore) has been created as at March 31, 2022 against the beneficiaries who have not taken any refill for more than 12 months based on expected credit loss(ECL) model and applying experience factor based on experience ratio of doubtful provision on more than 12 months to the loans in less than 12 month category. (Also refer Credit Risk under Note 40)

The Company has remeasured the gross carrying amount of PMUY loan as at Balance Sheet date based on revised estimated future contractual cash flows resulting in reduction in PMUY loans by **₹ 489.00 crore** (2021: ₹ 847.08 crore)which has been charged to Statement of Profit and Loss in NOTE - 29.1 under the head "Amortisation and Remeasurement of PMUY Assets".

2 Pursuant to the Board approval for formation of a Joint Venture company between Indian Oil Corporation Ltd and Coal India Ltd for transfer of explosives business to the said venture Company on slump sale basis at a value of **₹ 311.00 crore** (Net Assets WDV of ₹ 77.49 crore as at March 31, 2021), consent of Niti Ayog was initially received for formation of the JV vide letter dated April 27, 2018. However, the formation of the JV is not carried forward on account of subsequent communication dated July 11, 2018 from MoPNG. The matter is under deliberation and accordingly, the explosive business continues to be in operation as at March 31, 2022. The Net Asset WDV of the business as at March 31, 2022 is **₹ 132.00 crore**.

3 During the year company has received an opinion of the Expert Advisory Committee of the Institute of Chartered Accountant of India on the treatment of cost incurred towards land filling, reclamation and dredging on the land allotted on lease for Paradip Refinery including township. The said cost was capitalized prior to implementation of Ind AS as "Leasehold Land" under Tangible Fixed Asset Schedule and was depreciated accordingly. Pursuant to implementation of Ind AS w.e.f. 1st April 2016 the unamortized portion of the cost was accounted under erstwhile Ind AS 17 as "Prepaid Rentals" and was amortized as "Rent Expenses" upto 31st March 2019. Subsequently, the unamortized portion as on 1st April 2019 was accounted as "Right of Use Assets" as per the provision of Ind AS 116. Based on the opinion, the said cost amounting to ₹ 741.00 crore has been capitalized in books of accounts in respective assets class such as Building, Plant & Equipment etc. by corresponding reduction in gross block of "Right of Use Assets". This has resulted in additional depreciation amounting to ₹ 116.00 crore and reduction in rent expenses amounting to ₹ 40.00 crore.

In line with the opinion, cost of land filling jobs amounting to ₹ 36.27 crore, incurred on land taken on lease from Government of Himachal Pradesh, for Una Terminal, earlier treated as cost Right of Use Asset has now been capitalized in books of accounts in respective assets class such as Building, Plant & Equipment etc. The additional charged to P&L on account of depreciation is ₹ 3.46 crore.

NOTES TO FINANCIAL STATEMENTS

NOTE–49: OTHER DISCLOSURES (Contd...)

4 In FY 2021-22, the Company has signed amendment side letter to LNG Sales and Purchase Agreement (SPA) with Diamond Gas International (DGI) for including make up right in SPA against Monthly Reservation Fees paid for the FOB LNG Cargoes not received due to Force Majeure event during 2020-21 from Cameron LNG Project in USA. Resulting to this amendment, the provision created in FY 2020-21 for ₹ 288.38 crore against advance paid to DGI and for ₹ 19.36 crore on account of additional expenses under LNG SPA have been written back and included in the Revenue from Operations.

5. The Company has reached a settlement against one of its long pending receivables, with full principal amount and interest at a reduced rate. "Net Loss on de-recognition of Financial Assets at Amortised Cost" shown on the face of the Statement of Profit and Loss, mainly comprises of interest so waived amounting to ₹ 167.47 Crore as a part of the settlement.

6 Due to Outbreak of COVID-19 pandemic and consequent national lockdown, the operations of the company during FY 2020-21 were considerably affected due to demand reduction. The demand for the petroleum products resumed to near normal levels from second half of that year and impact of the pandemic in current financial year is minimal.

7 Purchase of crude oil from Panna Mukta and some other small oilfields has been accounted for provisionally pending finalisation of agreements with respective parties. The management estimates that no significant adjustments will arise upon finalisation of these agreements.

8 Transactions with other Oil Marketing Companies are jointly reconciled on an ongoing basis.

9 There are no other significant subsequent events that would require adjustments or disclosures in the Financial Statements as at Balance Sheet date, other than those disclosed above.

10 Previous year's comparative figures have been regrouped wherever necessary. Figures in brackets indicate deductions/losses.

For and on Behalf of Board of Directors

Sd/-	Sd/-	Sd/-
(S. M. Vaidya)	**(S. K. Gupta)**	**(Kamal Kumar Gwalani)**
Chairman	Director (Finance)	Company Secretary
DIN- 06995642	DIN- 07570165	ACS-13737

As per our attached Report of even date

For G.S.MATHUR & CO.	**For K.C.MEHTA & CO.**	**For SINGHI & CO.**	**For S R B & ASSOCIATES**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 008744N)	(Firm Regn. No. 106237W)	(Firm Regn. No. 302049E)	(Firm Regn. No. 310009E)
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M.No. 091007	M.No. 101533	M. No. 063769	M. No. 053960

Place: New Delhi
Dated: 17th May 2022

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2022

ON PROVISION OF TOWNSHIP, EDUCATION, MEDICAL AND OTHER FACILITIES

(₹ in crore)

Particulars	2021-22	2020-21
INCOME :		
1. Recovery of House Rent	**17.80**	15.53
2. Recovery of Utilities-Power and Water	**4.37**	4.18
3. Recovery of Transport Charges	**0.08**	0.09
4. Other Recoveries	**7.31**	8.02
5. Excess of Expenditure over Income	**715.17**	661.63
TOTAL :	**744.72**	**689.46**
EXPENDITURE :		
1. Employee Benefit Expenses	**151.84**	146.45
2. Consumable Stores and Medicines	**100.51**	76.89
3. Repairs and Maintenance	**156.05**	152.49
4. Finance Cost	**29.48**	29.63
5. Depreciation & Amortization	**39.80**	41.42
6. Miscellaneous Expenses	**67.47**	63.56
7. Utilities-Power, Water and Gas	**144.06**	128.99
8. Rent	**2.40**	1.57
9. Subsidies for Social & Cultural Activities	**38.99**	29.66
10. Others	**14.14**	18.81
TOTAL:	**744.72**	**689.46**

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT (TOWNSHIP) FOR THE YEAR ENDED MARCH 31, 2022

(₹ in crore)

Particulars	Gross Block As at 01.04.2021	Additions during the year	Transfers from Capital work-in-progress	Disposals/ Deductions/ Transfers/ Reclassifications	Gross Block As at 31.03.2022	Depreciation & Amortization During the Year	Deprereciation & Amortization As at 31.03.2022	Net Block As at	
								31.03.2022	31.03.2021
LAND FREEHOLD	139.47	0.06	-	(1.04)	**138.49**	-	**-**	**138.49**	139.47
LAND-LEASEHOLD	16.51	0.93	-	-	**17.44**	0.83	**1.84**	**15.60**	15.50
BUILDINGS, ROADS etc.	1,006.70	3.28	36.63	(17.94)	**1,028.67**	28.58	**233.94**	**794.73**	800.86
PLANT AND EQUIPMENT	76.17	2.21	1.14	(1.04)	**78.48**	4.17	**26.28**	**52.20**	53.62
OFFICE EQUIPMENTS	27.89	1.96	0.68	0.84	**31.37**	3.87	**21.56**	**9.81**	10.27
FURNITURE & FIXTURES	18.63	1.21	0.63	(2.27)	**18.20**	1.60	**10.07**	**8.13**	10.15
DRAINAGE, SEWAGE & WATER SUPPLY SYSTEMS	0.92	-	-	-	**0.92**	0.02	**0.12**	**0.80**	0.82
TRANSPORT EQUIPMENT	1.86	0.15	-	(0.57)	**1.44**	0.73	**0.88**	**0.56**	0.78
GRAND TOTAL :	**1,288.15**	**9.80**	**39.08**	**(22.02)**	**1,315.01**	**39.80**	**294.69**	**1,020.32**	**1,031.47**
PREVIOUS YEAR :	**1,254.97**	**33.85**	**12.90**	**(13.57)**	**1,288.15**	**41.42**	**256.68**	**1,031.47**	

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New Delhi – 110024

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Kolkata - 700026

S R B & ASSOCIATES
Chartered Accountants
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Kolkata - 700001

INDEPENDENT AUDITORS' REPORT

To
The Members of Indian Oil Corporation Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Indian Oil Corporation Limited (hereinafter referred to as "the Holding Company"/"the Company") and its Subsidiaries (collectively referred to as "the Group"), its Joint Ventures and Associates, which comprise of the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements including, a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, joint ventures and associates as referred to in the "Other Matter" Paragraphs 2 and 3, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its Joint Ventures and Associates as at March 31, 2022, of consolidated total comprehensive income (comprising of loss and other comprehensive loss), consolidated changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group, its Joint Ventures and Associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI), together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred in to paragraphs 2 and 3 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matters	Auditors' response to Key Audit Matters
Property, Plant & Equipment and Intangible Assets	
There are areas where management judgement impacts the carrying value of property, plant and equipment, intangible assets and their respective depreciation/amortisation rates. These include the decision to capitalise or expense costs; the annual asset life review; the timeliness of the capitalisation of	We assessed the controls in place over the fixed asset cycle, evaluated the appropriateness of capitalisation process, performed tests of details on costs capitalised, the timeliness of the capitalisation of the assets and the de-recognition criteria for assets retired from active use.

Key Audit Matters	Auditors' response to Key Audit Matters
assets and the use of management assumptions and estimates for the determination or the measurement and recognition criteria for assets retired from active use. Due to the materiality in the context of the Balance Sheet of the Company and the level of judgement and estimates required, we consider this to be as area of significance.	In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realizable value of the assets retired from active use; the appropriateness of assets lives applied in the calculation of depreciation; the useful lives of assets prescribed in Schedule II to the Act and the useful lives of certain assets as per the technical assessment of the management. We observed that the management has regularly reviewed the aforesaid judgements and there are no material changes.
Provision for Direct Taxes The Company has uncertain direct tax positions including matters under dispute which involves significant judgment relating to the possible outcome of these disputes in estimation of the provision for income tax. Because of the judgement required, the area is a key audit matter for our audit.	Our audit procedures involved assessment of the management's underlying assumptions in estimating the tax provision (as confirmed by the Company's tax consultants) and the possible outcome of the disputes taking into account the legal precedence, jurisprudence and other rulings in evaluating management's position on these uncertain direct tax positions. We have also assessed the disclosures made by the company in this regard.
Provisions and Contingent Liabilities The Company is involved in various taxes and other disputes for which final outcome cannot be easily predicted and which could potentially result in significant liabilities. The assessment of the risks associated with the litigations is based on complex assumptions, which require the use of judgement and such judgement relates, primarily, to the assessment of the uncertainties connected to the prediction of the outcome of the proceedings and to the adequacy of the disclosures in the consolidated financial statements. Because of the judgement required, the materiality of such litigations and the complexity of the assessment process, the area is a key matter for our audit.	Our audit procedures in response to this Key Audit Matter included, among others, • Assessment of the process and relevant controls implemented to identify legal and tax litigations and pending administrative proceedings. • Assessment of assumptions used in the evaluation of potential legal and tax risks performed by the legal and tax department of the Company considering the legal precedence and other rulings in similar cases. • Inquiry with the legal and tax departments regarding the status of the most significant disputes and inspection of the key relevant documentation. • Analysis of opinion received from the experts wherever available. • Review of the adequacy of the disclosures in the notes to the consolidated financial statements.
Investments in Subsidiaries, Joint Ventures and Associates Investments in subsidiaries, joint ventures and associates which are valued at cost have been adjusted for impairment losses in line with "Ind AS 36 Impairment of assets". In case there is an indication of possible impairment, the Company carries out an impairment test by comparing the recoverable amount of the investments determined according to the value in use method and their carrying amount. The valuation process adopted by management is complex and is based on a series of assumptions, such as the forecast cash flows, the appropriate discounting rate and the growth rate. These assumptions are, by nature, influenced by future expectations regarding the evolution of external market.	With reference to this key audit matter, we considered the following: • Book value of the investments in subsidiaries, joint venture and associates as compared to the carrying amount. • Market capitalization in case of listed entities in which investments have been made. • Some of the entities are still in the construction stage and have not begun commercial operations. Based on the information and explanations obtained as above, we concluded that the Management's judgement regarding indication of impairment in certain investments during the year is appropriate. Where there is indication of impairment, we examined the approach taken by management to determine the value of the investments, analysed the methods and assumptions applied by management to carry out the impairment test and the reports obtained from the experts in valuation.

Key Audit Matters	Auditors' response to Key Audit Matters
Since judgement of the management is required to determine whether there is indication of possible impairment and considering the subjectivity of the estimates relating to the determination of the cash flows and the key assumptions of the impairment test, the area is considered a key audit matter for our audit.	The following audit procedures were adopted: • identification and understanding of the significant controls implemented by the Company over the impairment testing process; analysis of the reasonableness of the principal assumptions made to estimate their cash flows, and obtaining other information from management that we deemed to be significant; • analysis of actual data of the year and previous years in comparison with the original plan, in order to assess the nature of variances and the reliability of the planning process; • assessment of the reasonableness of the discount rate and growth rate; • Verification of the mathematical accuracy of the model used to determine the value in use of the investments. We also examined the adequacy of the information provided by the Company about the impairment test and its consistency with the requirements of Ind AS 36.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Financial Performance highlights, Board's Report including Annexures to Board's Report, Management Discussions and Analysis, Business Responsibility and Sustainability Report, Report on Corporate Governance, Shareholders Information and other information in Integrated Annual Report but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and identified above when it becomes available, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

If, based on the work we have performed, and report of the other auditors as furnished to us (refer paragraphs 2 and 3 of other matter para below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information, which we will obtain after the date of auditors' report and if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, total comprehensive income, consolidated Statement of Changes in Equity and consolidated Statement of Cash Flows of the Group, its Joint Ventures and Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group, of its Joint Ventures and Associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its Joint Ventures and Associates for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true

and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group, its Joint Ventures and Associates are responsible for assessing the ability of the Group, its Joint Ventures and Associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group, its Joint Ventures and Associates, are responsible for overseeing the financial reporting process of the Group, its Joint Ventures and Associates.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group, its Joint Ventures and Associates which are companies incorporated in India, has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, its Joint Ventures and Associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group, its Joint Ventures and Associates controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its Joint Ventures and Associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors' Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1. The consolidated financial statements include the Holding Company's proportionate share (relating to Jointly controlled operations of E&P activities) in assets ₹ **716.94** crore and liabilities ₹ **122.31** crore as at March 31, 2022 and total revenue of ₹ **126.39** crore and profit before tax of ₹ **49.59** crore for the year ended on that date and in items of the statement of cash flow and related disclosures contained in the enclosed consolidated financial statements. Our observations thereon are based on unaudited statements from the operators to the extent available with the Company in respect of 21 Blocks (out of which 11 Blocks are relinquished) and have been certified by the management.

2. 2. We did not audit the financial statements of 7 subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of ₹ **38,845.04** crore as at March 31, 2022, total revenues of ₹ **66,941.55** crore and net cash outflow amounting to ₹ **1.97** crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ **693.15** crore for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of 23 joint ventures and associates, whose financial statements / financial information have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture and associates, is based solely on the reports of the other auditors.

3. We did not audit the financial statements / financial information of one subsidiary whose financial statement / financial information reflect total assets of ₹ **524.16** crore as at March 31, 2022, total revenues of ₹ **1166.81** crore and net cash inflows amounting to ₹ **1.19** crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ **2.66** crore for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of 2 joint ventures, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, JV and associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statements / financial information are not material to the Group.

4. Certain of these subsidiaries and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and joint ventures and associates located outside India from the accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. These converted financial statements have been certified by Chartered Accountants in India appointed by the Company for the specific purpose and have been relied upon by us. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and joint ventures and associates located outside India is based on the reports of other Chartered Accountants as mentioned above.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, joint ventures and associates, as noted in "Other Matters" paragraph above, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors/ chartered accountants.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e) On the basis of the reports of the statutory auditors of subsidiaries and joint ventures and associates incorporated in India, none of the directors of joint ventures and associates incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act. We are informed that the provisions of Section 164(2) of the Act are not applicable to the Holding Company and its subsidiary companies incorporated in India being Government companies in terms of notification no. G.S.R.463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, joint ventures and associates incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure 1".

g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197 (16) of the Act, as amended:

We are informed that the provisions of section 197 read with Schedule V of the Act, relating to managerial remuneration are not applicable to the Holding Company and its subsidiaries incorporated in India, being Government Companies in terms of Ministry of Corporate Affairs Notification no G.S.R. 463(E) dated 5th June, 2015. On the basis of the reports of the statutory auditors of the Joint Ventures and Associates incorporated in India, the remuneration paid by the Joint Ventures and Associates to its directors during the current year is in accordance with the Section 197 of the Act and the remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on the financial statements of the subsidiary companies, joint ventures and associates and management certified financial statements, as noted in other matter paragraph:

i. The consolidated financial statements disclosed the impact of pending litigations on the consolidated financial position of the Group, its joint ventures and associates (Refer Note 33 B and 37 B to the consolidated financial statements).

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts. Refer Note 17 to the consolidated financial statements.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies, joint ventures and associates incorporated in India, during the year ended March 31, 2022.

iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

v. As stated in Note 31 to the consolidated financial statements:

a) The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013.

b) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

The Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

2. According to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order 2020 (CARO) reports of the companies included in the consolidated financial statements.

For G. S. MATHUR & CO.	For K. C.MEHTA & CO.	For SINGHI & CO.	For S R B & ASSOCIATES
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn. No. 008744N	Firm Regn. No. 106237W	Firm Regn. No. 302049E	Firm Regn. No. 310009E
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M. No. 091007	M. No. 101533	M. No. 063769	M. No. 053960
UDIN: 22091007AJCGIN8114	UDIN: 22101533AJCGFS2751	UDIN: 22063769AJCHJS9939	UDIN: 22053960AJCGQI1966

Place: New Delhi
Date: 17th May 2022

Annexure 1 to the Independent Auditors' Report

On the consolidated financial statements of even date to the members of Indian Oil Corporation Limited for the year ended March 31, 2022

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements')

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of Indian Oil Corporation Limited (hereinafter referred to as "Holding Company") and its subsidiary companies (collectively referred to as "the Group") joint ventures and associates, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, joint ventures and associates which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company, its subsidiaries, joint ventures and associates which are companies incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (" the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, joint ventures and associates which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by other auditors in term of their reports is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries, its joint ventures and associates, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statement includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion the Holding Company, its subsidiary companies, joint ventures and associates which are incorporated in India, have, in all material respects, an adequate internal financial controls with reference to financial statements reporting and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022,except in the case of two joint venture where the auditor has qualified his opinion on certain matters, which we are informed will not have material impact on the adequacy and operating effectiveness of internal financial control with reference to financial statements of the Group, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid reports under section 143(3) of the Act on the adequacy and operating effectiveness of the internal financial control with reference to financial statements insofar as it relates to 2 subsidiaries, 24 joint ventures and associates which are companies incorporated in India, is based on the corresponding standalone/consolidated reports of the auditors, as applicable, of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For G. S. MATHUR & CO.	For K. C.MEHTA & CO.	For SINGHI & CO.	For S R B & ASSOCIATES
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn. No. 008744N	Firm Regn. No. 106237W	Firm Regn. No. 302049E	Firm Regn. No. 310009E
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M. No. 091007	M. No. 101533	M. No. 063769	M. No. 053960
UDIN: 22091007AJCGIN8114	UDIN: 22101533AJCGFS2751	UDIN: 22063769AJCHJS9939	UDIN: 22053960AJCGQI1966

Place: New Delhi
Date: 17th May 2022

CONSOLIDATED FINANCIAL STATEMENTS

BALANCE SHEET AS AT MARCH 31, 2022

(₹ in crore)

Particulars	Note No.	March 31, 2022	March 31, 2021
ASSETS			
Non-current Assets			
a) Property, Plant and Equipment	2	**1,57,194.98**	1,53,698.39
b) Capital Work-in-Progress	2.1	**44,049.82**	32,953.16
c) Goodwill - On Consolidation		**1.04**	1.04
d) Intangible Assets	3	**3,318.33**	3,385.36
e) Intangible Assets Under Development	3.1	**3,419.45**	3,337.38
f) Equity Investment in Joint Ventures and Associates	4	**16,335.00**	15,010.12
g) Financial Assets			
i) Investments (Other than Investment in Joint Ventures and Associates)	4	**28,003.76**	20,424.09
ii) Loans	5	**2,292.96**	2,447.43
iii) Other Financial Assets	6	**2,639.28**	2,120.25
h) Income Tax Assets (Net)	7	**2,819.51**	2,479.91
i) Other Non-Current Assets	8	**3,690.03**	2,851.09
		2,63,764.16	**2,38,708.22**
Current Assets			
a) Inventories	9	**1,11,736.51**	83,427.46
b) Financial Assets			
i) Investments	4	**8,013.20**	9,282.61
ii) Trade Receivables	10	**18,700.42**	13,782.16
iii) Cash and Cash Equivalents	11	**1,176.59**	781.19
iv) Bank Balances other than above	12	**643.55**	1,693.49
v) Loans	5	**450.92**	612.29
vi) Other Financial Assets	6	**1,509.22**	2,876.95
c) Other Current Assets	8	**3,842.03**	3,558.65
		1,46,072.44	**1,16,014.80**
Assets Held for Sale	13	**788.25**	192.90
		1,46,860.69	**1,16,207.70**
TOTAL ASSETS		**4,10,624.85**	**3,54,915.92**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share Capital	14	**9,181.04**	9,181.04
b) Other Equity	15	**1,24,354.14**	1,02,657.01
c) Non Controlling Interest		**1,591.47**	975.94
		1,35,126.65	**1,12,813.99**
LIABILITIES			
Non-current Liabilities			
a) Financial Liabilities			
i) Borrowings	16	**55,944.54**	54,685.01

CONSOLIDATED FINANCIAL STATEMENTS

BALANCE SHEET AS AT MARCH 31, 2022

(₹ in crore)

Particulars	Note No.	March 31, 2022	March 31, 2021
ii) Lease Liabilties		**6,363.62**	6,249.89
iii) Other Financial Liabilities	17	**913.79**	847.48
b) Provisions	18	**1,586.59**	1,596.83
c) Deferred Tax Liabilities (Net)	19	**15,354.37**	13,964.47
d) Other Non-Current Liabilities	20	**3,180.59**	2,583.36
		83,343.50	**79,927.04**
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	21	**67,605.56**	54,241.27
ii) Lease Liabilities		**2,105.87**	1,472.89
iii) Trade Payables	22		
A. Total outstanding dues of Micro and Small Enterprises		**806.63**	556.39
B. Total outstanding dues of creditors other than Micro and Small Enterprises		**48,239.28**	36,407.68
iv) Other Financial Liabilities	17	**44,024.79**	42,122.01
b) Other Current Liabilities	20	**18,979.61**	17,141.77
c) Provisions	18	**9,748.59**	9,430.36
d) Current Tax Liabilities (Net)	7	**619.31**	802.52
		1,92,129.64	**1,62,174.89**
Liabilities directly associated with the Assets Held for Sale	13	**25.06**	-
		1,92,154.70	**1,62,174.89**
TOTAL EQUITY AND LIABILITIES		**4,10,624.85**	**3,54,915.92**
Significant Accounting Policies, Estimates & Judgements	1A & 1B		
Accompanying Notes to Financial Statements	2 - 49		

For and on Behalf of Board of Directors

Sd/-	Sd/-	Sd/-
(S. M. Vaidya)	**(S. K. Gupta)**	**(Kamal Kumar Gwalani)**
Chairman	Director (Finance)	Company Secretary
DIN- 06995642	DIN- 07570165	ACS-13737

As per our attached Report of even date

For G.S.MATHUR & CO.	**For K.C.MEHTA & CO.**	**For SINGHI & CO.**	**For S R B & ASSOCIATES**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 008744N)	(Firm Regn. No. 106237W)	(Firm Regn. No. 302049E)	(Firm Regn. No. 310009E)
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M.No. 091007	M.No. 101533	M. No. 063769	M. No. 053960

Place: New Delhi
Dated: 17th May 2022

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in crore)

Particulars	Note No.	2021-2022	2020-2021
I. Revenue From Operations	23	**7,36,730.84**	5,20,236.84
II. Other Income	24	**3,082.22**	3,499.54
III. Total Income (I+II)		**7,39,813.06**	**5,23,736.38**
IV. Expenses:			
Cost of Material Consumed	25	**3,30,672.38**	1,74,196.22
Excise Duty		**1,47,395.10**	1,56,287.17
Purchases of Stock-in-Trade		**1,69,991.50**	1,07,087.93
Changes in Inventories of Finished Goods, Stock-in-trade and Stock-In Process	26	**(13,710.98)**	(6,181.61)
Employee Benefits Expense	27	**11,582.92**	11,308.78
Finance Costs	28	**5,423.26**	3,589.12
Depreciation, Amortisation and Impairment on :			
a) Property, Plant and Equipment		**11,986.15**	10,643.34
b) Intangible Assets		**361.43**	298.11
		12,347.58	**10,941.45**
Impairment Loss (including reversal of impairment loss) on Financial Assets		**(444.98)**	1,111.98
Net Loss on de-recognition of financial assets at amortised cost		**172.75**	7.69
Other Expenses	29	**43,330.47**	35,833.65
Total Expenses (IV)		**7,06,760.00**	**4,94,182.38**
V. Profit / (Loss) before Share of profit/(loss) of associate/joint venture (III-IV)		**33,053.06**	**29,554.00**
VI Share of profit/(loss) of associates/ joint ventures		**1,235.56**	1,196.73
VII. Profit / (Loss) before Tax (V+VI)		**34,288.62**	**30,750.73**
VIII. Tax Expense:			
Current Tax		**7,234.66**	6,868.47
Deferred Tax		**1,327.36**	2,120.04
IX. Profit / (Loss) for the year (VII-VIII)		**25,726.60**	**21,762.22**
Profit / (Loss) for the Year attributable to :			
Equityholders of the Parent		**25,102.23**	21,638.21
Non-Controlling Interest		**624.37**	**124.01**
X. Other Comprehensive Income:	30		
A (i) Items that will not be reclassified to profit or loss		**6,043.72**	4,604.83
A (ii) Income Tax relating to items that will not be reclassified to profit or loss		**121.03**	(202.84)
B (i) Items that will be reclassified to profit or loss		**24.67**	121.17
B (ii) Income Tax relating to items that will be reclassified to profit or loss		**32.91**	(21.99)
XI. Total Comprehensive Income for the Year (IX+X) (Comprising Profit/ (Loss) and Other Comprehensive Income for the Year)		**31,948.93**	**26,263.39**

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in crore)

Particulars	Note No.	2021-2022	2020-2021
Total Comprehensive Income for the Year (Comprising Profit/ (Loss) and Other Comprehensive Income for the Year) attributable to:			
Equityholders of the Parent		**31,329.26**	26,159.77
Non-Controlling Interest		**619.67**	103.62
XII. Earnings per Equity Share (₹):	32		
(1) Basic		**27.34**	23.57
(2) Diluted		**27.34**	23.57
Face Value Per Equity Share (₹)		**10**	10
Significant Accounting Policies, Estimates & Judgements	1A & 1B		
Accompanying Notes to Financial Statements	2 - 49		

For and on Behalf of Board of Directors

Sd/-	Sd/-	Sd/-
(S. M. Vaidya)	**(S. K. Gupta)**	**(Kamal Kumar Gwalani)**
Chairman	Director (Finance)	Company Secretary
DIN- 06995642	DIN- 07570165	ACS-13737

As per our attached Report of even date

For G.S.MATHUR & CO.	**For K.C.MEHTA & CO.**	**For SINGHI & CO.**	**For S R B & ASSOCIATES**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 008744N)	(Firm Regn. No. 106237W)	(Firm Regn. No. 302049E)	(Firm Regn. No. 310009E)
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M.No. 091007	M.No. 101533	M. No. 063769	M. No. 053960

Place: New Delhi
Dated: 17th May 2022

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in crore)

Particulars		2021-2022		2020-2021	
A	**Cash Flow from Operating Activities**				
1	Profit / (Loss) Before Tax		**34,288.62**		30,750.73
2	Adjustments for :				
	Share of Profit of Joint Ventures and Associates	**(1,235.56)**		(1,196.73)	
	Depreciation, Amortisation and Impairment	**12,347.58**		10,941.45	
	Loss/(Profit) on sale of Assets (net)	**(11.97)**		136.50	
	Loss/(Profit) on sale of Investments (net)	**-**		(4.12)	
	Amortisation of Capital Grants	**(27.63)**		(26.60)	
	Provision for Probable Contingencies (net)	**142.72**		(227.65)	
	MTM Loss/(gain) arising on financial assets/liabilities as at fair value through profit and loss	**(6.12)**		27.64	
	Unclaimed / Unspent liabilities written back	**(130.23)**		(371.90)	
	Bad Debts, Advances & Claims written off	**184.21**		25.05	
	Provision for Doubtful Advances, Claims and Obsolescence of Stores (net)	**(154.64)**		563.95	
	Impairment Loss on Financial Assets (Net)	**(444.98)**		1,111.98	
	MTM Loss/(Gain) on Derivatives	**(68.00)**		(140.87)	
	Remeasurement of Defined Benefit Plans thru OCI	**(739.83)**		15.08	
	Interest Income	**(1,938.65)**		(1,833.65)	
	Dividend Income	**(1,053.59)**		(260.87)	
	Finance costs	**4,327.37**		4,392.58	
	Amortisation and Remeasurement of PMUY Assets	**587.97**		1,056.60	
			11,778.65		**14,208.44**
3	Operating Profit before Working Capital Changes (1+2)		**46,067.27**		**44,959.17**
4	Change in Working Capital (excluding Cash & Cash Equivalents):				
	Trade Receivables & Other Assets	**(2,558.15)**		8,717.40	
	Inventories	**(28,336.99)**		(16,420.99)	
	Trade Payables & Other Liabilities	**16,930.06**		16,462.63	
	Change in Working Capital		**(13,965.08)**		8,759.04
5	Cash Generated From Operations (3+4)		**32,102.19**		53,718.21
6	Less : Taxes paid		**7,531.86**		4,067.99
7	**Net Cash Flow from Operating Activities (5-6)**		**24,570.33**		**49,650.22**
B	**Cash Flow from Investing Activities:**				
	Proceeds from sale of Property, plant and equipment / Transfer of Assets	**(233.33)**		792.85	
	Purchase of Property, Plant & Equipment and Intangible Assets	**(4,704.41)**		(5,467.41)	
	Expenditure on Construction Work in Progress	**(18,099.37)**		(17,071.57)	
	Proceeds from sale of financial instruments (other than working capital)	**-**		115.28	
	Purchase of Other Investments	**(1,796.69)**		(3,972.99)	
	Receipt of government grants (Capital Grant)	**710.41**		583.98	
	Interest Income received	**1,892.16**		1,824.32	
	Dividend Income on Investments	**1,053.59**		260.87	
	Net Cash Generated/(Used) in Investing Activities:		**(21,177.64)**		**(22,934.67)**
C	**Net Cash Flow From Financing Activities:**				
	Proceeds from Long-Term Borrowings	**11,423.04**		13,579.86	
	Repayments of Long-Term Borrowings	**(2,988.76)**		(4,633.05)	
	Repayments of Lease Liabilities	**(1,772.66)**		(1,112.89)	
	Proceeds from/(Repayments of) Short-Term Borrowings	**5,934.92**		(22,317.43)	
	Interest paid	**(4,697.79)**		(4,502.27)	
	Dividend paid	**(10,896.04)**		(8,383.19)	
	Net Cash Generated/(Used) from Financing Activities:		**(2,997.29)**		**(27,368.97)**
D	**Net Change in Cash & Cash Equivalents (A+B+C)**		**395.40**		**(653.42)**
E1	Cash & Cash Equivalents as at end of the year		**1,176.59**		**781.19**
	Less:				
E2	Cash & Cash Equivalents as at the beginning of year		**781.19**		**1,434.61**
	NET CHANGE IN CASH & CASH EQUIVALENTS (E1 - E2)		**395.40**		**(653.42)**

Notes:

1. Net Cash Flow From Financing Activities includes following non-cash changes:

(₹ in crore)

Particulars	2021-2022	2020-2021
(Gain)/ Loss due to changes in exchange rate	**921.43**	(1,130.93)

2. Statement of Cash Flows is prepared using Indirect Method as per Indian Accounting Standard-7: Statement of Cash Flows.
3. Figures for previous year have been regrouped wherever necessary for uniformity in presentation.

For and on Behalf of Board of Directors

Sd/-	Sd/-	Sd/-
(S. M. Vaidya)	**(S. K. Gupta)**	**(Kamal Kumar Gwalani)**
Chairman	Director (Finance)	Company Secretary
DIN- 06995642	DIN- 07570165	ACS-13737

As per our attached Report of even date

For G.S.MATHUR & CO.	**For K.C.MEHTA & CO.**	**For SINGHI & CO.**	**For S R B & ASSOCIATES**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 008744N)	(Firm Regn. No. 106237W)	(Firm Regn. No. 302049E)	(Firm Regn. No. 310009E)
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M.No. 091007	M.No. 101533	M. No. 063769	M. No. 053960

Place: New Delhi
Dated: 17th May 2022

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A Equity Share Capital

(₹ in crore)

Particulars	2021-2022	2020-2021
Balance at the beginning of the year	9,181.04	9,181.04
Changes in during the year	-	-
Balance at the end of the year	**9,181.04**	**9,181.04**

B Other Equity

(₹ in crore)

Particulars	Reserves and Surplus							Reserves and Surplus	Items of Other Comprehensive Income				Attributable to Equityholders of the Parent	Non-Controlling Interest	TOTAL
	Retained Earnings	Bond Redemption Reserve	Capital Reserve/ Capital Redemption Reserve	Securities Premium	Insurance Reserve	Export Profit Reserve		Corporate Social Responsibility Reserve	Fair value of Equity Instruments	Fair value of Debt Instruments	Cash Flow Hedge Reserve	Translation Reserve on Consolidation			
Opening Balance as at April 01, 2020	**75,981.10**	**3,171.39**	**732.16**	**76.74**	**261.09**	**53.72**		**0.86**	**5,416.88**	**391.67**	**46.00**	**85.26**	**86,216.87**	**876.27**	**87,093.14**
Opening Balance Adjustment	(28.20)	-	-	-	-	-		-	-	-	-	-	(28.20)	-	(28.20)
Profit/(Loss) for the Year	21,638.21	-	-	-	-	-		-	-	-	-	-	21,638.21	124.01	21,762.22
Other Comprehensive Income	13.98*	-	-	-	-	-		-	4,398.83	80.91	16.81	11.03	4,521.56	(20.39)	4,501.17
Total Comprehensive Income	**21,652.19**	**-**	**-**	**-**	**-**	**-**		**-**	**4,398.83**	**80.91**	**16.81**	**11.03**	**26,159.77**	**103.62**	**26,263.39**
Transfer from Export Profit Reserve	53.72	-	-	-	-	(53.72)		-	-	-	-	-	-	-	-
Appropriation towards Interim Dividend	(9,640.47)	-	-	-	-	-		-	-	-	-	-	(9,640.47)	-	(9,640.47)
Appropriation towards Final Dividend	-	-	-	-	-	-		-	-	-	-	-	-	(3.95)	(3.95)
Appropriation towards Insurance reserve (Net)	(11.05)	-	-	-	11.05	-		-	-	-	-	-	-	-	-
Appropriation towards Corporate Social Responsibility Reserve (net)	(0.24)	-	-	-	-	-		0.24	-	-	-	-	-	-	-
Transfer from fair Value of Debt Instruments (recycling)	-	-	-	-	-	-		-		(2.28)	-	-	(2.28)	-	(2.28)
Addition to Capital Reserve/ Capital Redemption Reserve during the year/Other adjustment in JVs	(1.08)	-	(1.59)	-	-	-		-	-	-	-	-	(2.67)	-	(2.67)
Transferred to Statement of Profit and Loss (recycling)	-	-	-	-	-	-		-	-	-	(46.01)	-	(46.01)	-	(46.01)
Closing Balance as at March 31, 2021	**88,005.97**	**3,171.39**	**730.57**	**76.74**	**272.14**	**-**		**1.10**	**9,815.71**	**470.30**	**16.80**	**96.29**	**1,02,657.01**	**975.94**	**1,03,632.95**

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

B Other Equity (Contd..)

(₹ in crore)

Particulars	Reserves and Surplus							Reserves and Surplus	Items of Other Comprehensive Income				Attributable to Equityholders of the Parent	Non-Controlling Interest	TOTAL
	Retained Earnings	Bond Redemption Reserve	Capital Reserve/ Capital Redemption Reserve	Securities Premium	Insurance Reserve	Export Profit Reserve		Corporate Social Responsibility Reserve	Fair value of Equity Instruments	Fair value of Debt Instruments	Cash Flow Hedge Reserve	Translation Reserve on Consolidation			
Opening Balance as at April 01, 2021	**88,005.97**	**3,171.39**	**730.57**	**76.74**	**272.14**	**-**		**1.10**	**9,815.71**	**470.30**	**16.80**	**96.29**	**1,02,657.01**	**975.94**	**1,03,632.95**
Opening Balance Adjustment	5.83	-	-	-	-	-		-	-	-	-	-	5.83	-	5.83
Profit/(Loss) for the Year	25,102.23	-	-	-	-	-		-	-	-	-	-	25,102.23	624.37	25,726.60
Other Comprehensive Income	(564.84)*	-	-	-	-	-		-	6,741.66	(125.02)	27.33	147.90	6,227.03	(4.70)	6,222.33
Total Comprehensive Income	**24,537.39**	**-**	**-**	**-**	**-**	**-**		**-**	**6,741.66**	**(125.02)**	**27.33**	**147.90**	**31,329.26**	**619.67**	**31,948.93**
Share of JV Sold	24.93	-	-	-	-	-		-	-	-	-	-	24.93	-	24.93
Appropriation towards Interim Dividend	(8,263.41)	-	-	-	-	-		-	-	-	-	-	(8,263.41)	-	(8,263.41)
Appropriation towards Final Dividend	(1,377.39)	-	-	-	-	-		-	-	-	-	-	(1,377.39)	(4.14)	(1,381.53)
Appropriation towards Insurance reserve (Net)	(19.28)	-	-	-	19.28	-		-	-	-	-	-	-	-	-
Transfer from Bond Redemption Reserve	1,370.85	(1,370.85)	-	-	-	-		-	-	-	-	-	-	-	-
Appropriation towards Corporate Social Responsibility Reserve (net)	0.57	-	-	-	-	-		(0.57)	-	-	-	-	-	-	-
Addition to Capital Reserve/ Capital Redemption Reserve during the year/Other adjustment in JVs	(1.24)	-	(4.04)	-	-	-		-	-	-	-	-	(5.28)	-	(5.28)
Transferred to Statement of Profit and Loss (recycling)	-	-	-	-	-	-		-	-	-	(16.81)	-	(16.81)	-	(16.81)
Closing Balance as at March 31, 2022	**1,04,284.22**	**1,800.54**	**726.53**	**76.74**	**291.42**	**-**		**0.53**	**16,557.37**	**345.28**	**27.32**	**244.19**	**1,24,354.14**	**1,591.47**	**1,25,945.61**

* Remeasurement of Defined Benefit Plans

For and on Behalf of Board of Directors

Sd/-	Sd/-	Sd/-
(S. M. Vaidya)	**(S. K. Gupta)**	**(Kamal Kumar Gwalani)**
Chairman	Director (Finance)	Company Secretary
DIN- 06995642	DIN- 07570165	ACS-13737

As per our attached Report of even date

For G.S.MATHUR & CO.	**For K.C.MEHTA & CO.**	**For SINGHI & CO.**	**For S R B & ASSOCIATES**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 008744N)	(Firm Regn. No. 106237W)	(Firm Regn. No. 302049E)	(Firm Regn. No. 310009E)
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M.No. 091007	M.No. 101533	M. No. 063769	M. No. 053960

Place: New Delhi
Dated: 17th May 2022

CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

NOTE - 1A: SIGNIFICANT ACCOUNTING POLICIES

I. Corporate Information

The Financial Statements comprise Financial statements of "Indian Oil Corporation Limited" ("the Holding company" or "IOCL" or "Parent Company") and its subsidiaries (collectively, the Group) for the year ended March 31, 2022.

IOCL is a public limited company incorporated and domiciled in India. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India. The registered office of the Holding company is located at Indian Oil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai.

The Group has with business interests straddling the entire hydrocarbon value chain - from refining, pipeline transportation & marketing, to exploration & production of crude oil & gas, petrochemicals, gas marketing, alternative energy sources and globalisation of downstream operations.

The Financial Statements have been approved for issue in accordance with a resolution of the Board of directors passed in its meeting held on May 17, 2022.

II. Significant Accounting Policies

1. BASIS OF PREPARATION/ CONSOLIDATION AND STATEMENT OF COMPLIANCE

1.1 The financial statements have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules and other relevant provisions of the Act and Rules thereunder, as amended from time to time.

1.2 The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer serial no. 17 of accounting policies regarding financial instruments) and
- Plan assets related to employee benefits (refer serial no. 12 of accounting policies regarding employee benefits)

1.3 The financial statements are presented in Indian Rupees (₹) which is the presentation currency of the Group and all values are rounded to the nearest crore (up to two decimals) except when otherwise indicated.

1.4 Basis of Consolidation:

1.4.1 **Subsidiaries:**

The financial statements comprise the financial statements of the IOCL and its subsidiaries as at March 31, 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if it has:

- Power over the investee
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the Consolidated Financial Statements to ensure conformity with the group's accounting policies.

The Financial Statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. Following consolidation procedure is followed:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

NOTES TO FINANCIAL STATEMENTS

NOTE - 1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

(b) Offset (eliminate) the carrying amount of the parent company's investment in each subsidiary and the parent company's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Change in the Group's ownership interests in existing subsidiaries

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- De-recognizes the assets (including goodwill) and liabilities of the subsidiary
- De-recognizes the carrying amount of any non-controlling interests
- De-recognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent company's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

1.4.2 **Investment in Associates and Joint Ventures**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The Statement of Profit and Loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the associate or joint venture, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the Statement of Profit and Loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investments in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss as 'Share of profit of an associate and a joint venture' in the Statement of Profit and Loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

1.4.3 **Interest in Joint operations:**

For the interest in joint operations, the Group recognizes:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Share of the revenue from the sale of the output by the joint operation
- Expenses, including its share of any expenses incurred jointly

2. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

2.1 Property, Plant and Equipment (PPE)

2.1.1 Property, Plant & Equipment (PPE) comprises of tangible assets and capital work in progress. PPE are stated in the Balance Sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any), except freehold land which are carried at historical cost. The cost of an item of PPE comprises its purchase price/construction cost including applicable taxes (net of credits) after deducting any discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located. These costs are capitalized until the asset is ready for use and includes borrowing cost capitalized in accordance with the Group's accounting policy.

2.1.2 The cost of an item of PPE is recognized as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

In accordance with the above criteria, subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate.

2.1.3 Technical know-how / license fee relating to plants/ facilities and specific software that are integral part of the related hardware are capitalized as part of cost of the underlying asset.

2.1.4 Spare parts are capitalized when they meet the definition of PPE, i.e., when the Group intends to use these for a period exceeding 12 months.

2.1.5 The acquisition of some items of PPE although not directly increasing the future economic benefits of any particular existing item of PPE, may be necessary for the Company to obtain the future economic benefits from its other assets. Such items of PPE are recognized as assets.

2.1.6 Environment responsibility related obligations directly attributable to projects is recognized as project cost on the basis of progress of project or on actual incurrence, whichever is higher.

2.1.7 On transition to Ind AS, the Group has elected to continue with the carrying value of all of its PPE recognized as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

2.2 Capital Work in Progress (CWIP)

A. Construction Period Expenses

2.2.1 Revenue expenses exclusively attributable to projects incurred during construction period are capitalized. However, such expenses in respect of capital facilities being executed along with the production/operations simultaneously and where the expenses are not attributable exclusively are charged to revenue.

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

2.2.2 Borrowing cost incurred during construction period on loans specifically borrowed and utilized for projects is capitalized on quarterly basis up to the date of capitalization.

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

B. Capital Stores

2.2.4 Capital Stores are valued at weighted average cost. Specific provision is made for likely diminution in value, wherever required.

2.3 Intangible Assets & Amortisation

2.3.1 Technical know-how / license fee relating to production process and process design are recognized as Intangible Assets and amortised on a straight line basis over the life of the underlying plant/ facility.

2.3.2 Expenditure incurred in research phase is charged to revenue and that in development phase, unless it is of capital nature, is also charged to revenue.

2.3.3 Cost incurred on computer software/licenses purchased/ developed resulting in future economic benefits, other than specific software that are integral part of the related hardware, are capitalized as Intangible Asset and amortised over a period of three years beginning from the month in which such software/ licenses are capitalized. However, where such computer software/ license is under development or is not yet ready for use, accumulated cost incurred on such items are accounted as "Intangible Assets Under Development"

2.3.4 Right of ways with indefinite useful lives are not amortised but tested for impairment annually at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

2.3.5 Intangible Assets acquired separately are measured on initial recognition at cost. The cost of Intangible Assets acquired in a business combination is based on its fair value at the date of acquisition. Following initial recognition, Intangible Assets are carried at cost less any accumulated amortisation and accumulated impairment losses. In case of internally generated intangibles, development cost is recognized as an asset when all the recognition criteria are met. However, all other internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the statement of profit and loss in the period in which the expenditure is incurred.

2.3.6 The useful lives of Intangible Assets are assessed as either finite or indefinite. Intangible Assets with finite lives are amortised over the useful life on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on Intangible Assets with finite lives is recognized in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

2.3.7 On transition to Ind AS, the Group has elected to continue with the carrying value of all of its Intangible Assets recognized as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

2.3.8 Amortisation is charged pro-rata on monthly basis on assets, from/upto the month of capitalization/ sale, disposal/ or classified to Asset held for disposal.

2.4 Depreciation

2.4.1 Cost of PPE (net of residual value) excluding freehold land is depreciated on straight-line method as per the useful life prescribed in Schedule II to the Act except in case of the following assets:

a) Useful life based on technical assessment

- 15 years for Plant and Equipment relating to Retail Outlets (other than storage tanks and related equipment), LPG cylinders and pressure regulators
- 25 years for solar power plant
- Certain assets of R&D Centre (15-25 years)
- Certain assets of CGD business,(Compressor / Booster Compressor and Dispenser - 10 years, Cascade – 20 years)
- Moulds used for the manufacturing of the packaging material for Lubricants- 5 years
- In other cases, like Spare Parts etc. (2-30 years)

b) In case of specific agreements e.g. enabling assets etc., useful life as per agreement or Schedule II to the Act, whichever is lower and

c) In case of immovable assets constructed on leasehold land, useful life as per Schedule-II to the Act or lease period of land (including renewable/ likely renewable period), whichever is lower.

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

Depreciation is charged pro-rata on monthly basis on assets, from/upto the month of capitalization/sale, disposal/ or classified to Asset held for disposal.

Residual value is determined considering past experience and generally the same is between 0 to 5% of cost of assets except

a. In case of Steel LPG cylinder and pressure regulator, residual value is considered maximum at 15% and in case of fibre composite LPG cylinder, residual value is considered at 10% based on estimated realisable value

b. in case of catalyst with noble metal content, residual value is considered based on the cost of metal content and

c. In few cases residual value is considered based on transfer value agreed in respective agreement.

The Group depreciates components of the main asset that are significant in value and have different useful lives as compared to the main asset separately. The Group depreciates spares over the life of the spare from the date it is available for use.

2.4.2 PPE, other than LPG Cylinders and Pressure Regulators, costing upto ₹ 5,000/- per item are depreciated fully in the year of capitalization. Further, spares, components like catalyst excluding noble metal content and major overhaul/ inspection are also depreciated fully over their respective useful life.

2.4.3 The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.5 Derecognition

2.5.1 PPE and Intangible Assets are derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE or Intangible Asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

3. LEASES

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

3.1 Leases as Lessee (Assets taken on lease)

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

3.1.1 **Lease Liabilities**

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, except for leases where the company has elected to use practical expedient not to separate non-lease payments from the calculation of the lease liability and ROU asset where the entire consideration is treated as lease component.

3.1.2 **Right-of-use Assets**

The Group recognizes right-of-use (ROU) assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of use assets are subject to impairment. If

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset as per 2.4 above. Perpetual Right of use (ROU) assets related to land are not depreciated but tested for Impairment loss, if any.

3.1.3 Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognized in the Statement of Profit and Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

3.1.4 **Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases of Property, Plant and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value and is not intended for sublease.. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

3.2 Leases as Lessor (assets given on lease)

3.2.1 When the Group acts as lessor, it determines at the commencement of the lease whether it is a finance lease or an operating lease.

3.2.2 Rental income from operating lease is recognized on a straight line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.

3.2.3 All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts is adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment. If an arrangement contains lease and non-lease components, the Company applies principles enunciated in Ind AS 115 "Revenue from Contracts with Customers" to allocate the consideration in the contract.

3.2.4 When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the short term lease exemption described above, then it classifies the sub-lease as an operating lease.

4. IMPAIRMENT OF NON-FINANCIAL ASSETS (also refer para 14 for impairment of E&P Assets)

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of 15 years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifteenth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

5. BORROWING COSTS

Borrowing cost consists of interest and other cost incurred in connection with the borrowing of funds.

Borrowing costs that are attributable to the acquisition or construction of the qualifying asset are capitalized as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Capitalization of borrowing costs is suspended when active development activity on the qualifying assets is interrupted other than on temporary basis and charged to the Statement of Profit and Loss during such extended periods. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which the same are incurred.

6. FOREIGN CURRENCY TRANSACTIONS/ TRANSLATION

6.1 The Group's financial statements are presented in Indian Rupee (₹) which is also functional currency of the Holding Company.

6.2 Transactions in currencies other than the respective group entities' functional currencies (foreign currencies) are initially recorded at spot exchange rates prevailing on the date of transactions.

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

6.4 Non-monetary items denominated in foreign currency, (such as PPE, intangible assets, equity investments, capital/ revenue advances other than expected to be settled in cash etc.) are recorded at the exchange rate prevailing on the date of the transaction, other than those measured at fair value.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in Other Comprehensive Income (OCI) or the Statement of Profit and Loss are also recognized in OCI or the Statement of Profit and Loss, respectively).

6.5 Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss either under the head foreign exchange fluctuation or interest cost to the extent regarded as an adjustment to borrowing costs as the case may be, except those relating to loans mentioned below.

Exchange differences on long-term foreign currency loans obtained or re-financed on or before March 31, 2016 relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets.

6.6 Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognized in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognized initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation on or after April 1, 2013 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the April 1, 2013, are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent company and no further translation differences occur.

7. INVENTORIES

7.1 Raw Materials & Stock-in-Process

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

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

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

7.1.4 Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognized in OCI, in respect of the purchases of raw materials.

7.2 Finished Products and Stock-in-Trade

7.2.1 Finished Products and Stock in Trade, other than lubricants, are valued at cost determined on 'First in First Out' basis or net realisable value, whichever is lower. Cost of Finished Products produced internally is determined based on raw material cost and processing cost.

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

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

7.3 Stores and Spares

7.3.1 Stores and Spares (including Chemicals. packing Containers i.e. empty barrels, tins etc.) are valued at weighted average cost. Specific provision is made in respect of identified obsolete stores & spares and chemicals for likely diminution in value. Further, a provision @ 5% of cost is also made on the balance stores and spares (excluding barrels, tins, stores in transit, chemicals/catalysts, crude oil and own products) towards likely diminution in the value.

7.3.2 Stores and Spares in transit are valued at cost.

8. PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS

8.1 Provisions

8.1.1 Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

8.1.2 When the Group expects some or all of a provision to be recovered from a third party, a receivable is recognized as a separate asset but only when it is virtually certain and amount of the receivable can be measured reliably. The expense relating to a provision is presented in the Statement of Profit and Loss net of reimbursement, if any.

8.1.3 If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

8.1.4 **Decommissioning Liability**

Decommissioning costs are provided at the present value of expected cost to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the Statement of Profit and Loss as a finance cost. The estimated future cost of decommissioning is reviewed annually and adjusted as appropriate. Changes in the estimated future cost or in the discount rate applied are adjusted in the cost of the asset.

8.2 Contingent Liabilities and Contingent Assets

8.2.1 Show-cause notices issued by various Government Authorities are generally not considered as obligations.

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

8.2.3 The treatment in respect of disputed obligations are as under:

a) a provision is recognized in respect of present obligations where the outflow of resources is probable as per 8.1.1 above;

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

b) all other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.

8.2.4 Contingent Liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability. Contingent liabilities are disclosed on the basis of judgment of the management/ independent experts and reviewed at each Balance Sheet date to reflect the current management estimate.

8.2.5 Estimated amount of contracts remaining to be executed towards capital expenditure are considered for disclosure.

8.2.6 A Contingent Asset is disclosed where an inflow of economic benefits is probable.

9. REVENUE

9.1 REVENUE FROM CONTRACTS WITH CUSTOMERS

9.1.1 The Group is in the business of oil and gas operations and it earns revenue primarily from sale of petroleum products and petrochemical products. In addition, the Group also earns revenue from other businesses which comprises Gas, Exploration & Production and Others.

Revenue is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Group has generally concluded that it is the principal in its revenue arrangements, except a few agency services, because it typically controls the goods or services before transferring them to the customer.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., customer loyalty points). In determining the transaction price for the sale of products, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration and consideration payable to the customer (if any).

9.1.2 Revenue from the sale of petroleum products, petrochemical products, Crude and gas are recognized at a point in time, generally upon delivery of the products. The Group recognizes revenue over time using input method (on the basis of time elapsed) in case of non-refundable deposits from dealers and service contracts. In case of construction contracts, revenue and cost are recognized by measuring the contract progress using input method by comparing the cost incurred and total contract cost. Contract modifications are accounted for as a part of existing contract or separate contract based on conditions prescribed in Ind AS 115.

9.1.3 The Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, Sales Tax/ Goods and Services Tax (GST) and Value Added Tax (VAT) is not received by the company on its own account. Rather, it is tax collected on value added to the product by the seller on behalf of the government. Accordingly, it is excluded from revenue.

9.1.4 **Variable consideration**

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved

The Group provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. The volume rebates/ cash discount give rise to variable consideration. To estimate the variable consideration for the expected future rebates/ cash discount, the Group applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract and accordingly, the Group recognizes a refund liability for the expected future rebates.

9.1.5 **Loyalty Points**

The Group operates various loyalty point schemes. The transaction price allocated to customer loyalty points is based on their relative estimated standalone selling price and the same is reduced from revenue from sale of goods. While estimating standalone selling price of customer loyalty points, the likelihood of exercising the option is adjusted. Wherever the Group is acting as an agent in this arrangement, the Company recognize the revenue on net basis.

9.2 Other claims are recognized when there is a reasonable certainty of recovery.

10. EXCISE DUTY

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

11. TAXES ON INCOME

11.1 Current Income Tax

The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

11.2 Deferred Tax

11.2.1 Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

(a) when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

(b) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

(a) when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss.

(b) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

11.2.2 The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in future to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

11.2.3 Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

11.2.4 Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

12. EMPLOYEE BENEFITS

12.1 Short Term Benefits:

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

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

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

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

b) The Group operates defined benefit plans for Gratuity, Post-Retirement Medical Benefits, Resettlement, Felicitation Scheme and Ex-gratia. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year. Out of these plans, Gratuity and Post-Retirement Medical Benefits are administered through respective Trusts.

c) Obligations on other long-term employee benefits viz leave encashment and Long Service Awards are provided using the projected unit credit method of actuarial valuation made at the end of the year. Out of these obligations, leave encashment obligations are funded through qualifying insurance policies made with insurance companies.

d) The Group also operates a defined contribution scheme for Pension benefits for its employees and the contribution is remitted to a separate Trust/Corporate NPS.

12.3 Termination Benefits:

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

12.4 Remeasurements:

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which it occurs. Remeasurements are not reclassified to profit or loss in subsequent periods. Remeasurements in respect of other long term benefits are recognized in the Statement of Profit and Loss.

Past service cost is recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognizes related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service cost comprising current service cost, past-service cost, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

13. GRANTS

13.1 Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

13.2 Grant relating to Assets (Capital Grants)

In case of grants relating to depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as Deferred Income which are recognized as "Other Operating Revenues" usually in the Statement of Profit and Loss over the period and in the proportion in which depreciation is charged.

13.3 Grant related to Income (Revenue Grants)

Revenue grants are recognized in the Statement of Profit and Loss on a systematic basis over the periods in which the entity recognizes as expenses the related cost for which the grants are intended to compensate.

Subsidy and budgetary support towards under recoveries are recognized in "Revenue from Operations" as per schemes notified by Government from time to time, subject to final adjustments, wherever applicable.

The Group has treated waiver of duty under EPCG Scheme as revenue grant as the condition of meeting the export obligations is a primary condition of availing the grant as per the EPCG Scheme. The above grant is set up by recording the assets at gross value and corresponding grant amount as deferred income. Such grant is recognized in "Other Operating Revenues" in proportion of export obligations actually fulfilled during the accounting period. In case of post export EPCG Duty Credit Scrip Scheme, revenue grant is recognized in "Other Operating Revenues" equivalent to the amount of Custom duty remission in proportion to export obligations actually fulfilled during the accounting period.

Revenue grants are generally recorded under "Other Operating Revenues", except north east excise duty exemption which is netted off with the related expense.

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

13.4 When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate or NIL interest rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities. Classification of the grant is made considering the terms and condition of the grant i.e. whether grants relates to assets or otherwise.

14. OIL & GAS EXPLORATION ACTIVITIES

14.1 Pre-acquisition Cost:

Expenditure incurred before obtaining the right(s) to explore, develop and produce oil and gas are expensed as and when incurred.

14.2 Exploration Stage:

Acquisition cost relating to projects under exploration are initially accounted as "Intangible Assets under Development". The expenses on oil and gas assets that is classified as intangible include:

- acquired rights to explore
- exploratory drilling cost

Cost of Survey and prospecting activities conducted in the search of oil and gas are expensed as exploration cost in the year in which these are incurred

If the project is not viable based upon technical feasibility and commercial viability study, then all cost relating to Exploratory Wells are expensed in the year when determined to be dry.

If the project is proved to be viable, then all cost relating to drilling of Exploratory Wells shall be continued to be presented as "Intangible Assets under Development"

14.3 Development Stage:

Acquisition cost relating to projects under development stage are presented as "Capital Work-in-Progress".

When a well is ready to commence commercial production, the capitalized cost corresponding to proved developed oil and gas reserves is reclassified as 'Completed wells/ Producing wells' from "Capital Work-in-Progress/ Intangible Assets under Development" to the gross block of assets. Examples of Oil and Gas assets that might be classified as Tangible Assets include development drilling cost, piping and pumps and producing wells.

14.4 Production Phase

Production cost include pre-well head and post-well head expenses including depreciation and applicable operating costs of support equipment and facilities are expensed off.

Depletion is calculated using the Unit of Production method based upon proved and developed reserves.

14.5 Abandonment Phase

In case of development / production phase, abandonment / decommissioning amount is recognized at the present value of the estimated future expenditure. Any change in the present value of the estimated decommissioning expenditure other than the unwinding of discount is adjusted to the decommissioning provision and the carrying value of the corresponding asset. The unwinding of discount on provision is charged in the Statement of Profit and Loss as finance costs.

14.6 Impairment of E&P Assets

14.6.1 **Impairment testing in case of Development and producing assets**

In case of E&P related development and producing assets, expected future cash flows are estimated using management's best estimate of future oil and natural gas prices, production volumes, proved & probable reserves volumes and discount rate. The expected future cash flows are estimated on the basis of value in use concept. The value in use is based on the cash flows expected to be generated by the projected oil or gas production profiles up to the expected dates of cessation of production of each producing field, based on current estimates of proved and probable reserves and on reasonable & supportable fiscal assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Management takes a long-term view of the range of economic conditions over the remaining useful life of the asset and, are not based on the relatively short-term changes in the economic conditions. However, impairment of exploration and evaluation assets is to be done in line with para 14.6.2

14.6.2 **Impairment in case of Exploration and Evaluation assets**

Exploration and Evaluation assets are tested for impairment where an indicator for impairment exists. In such cases, while calculating recoverable amount, in addition to the factors mentioned in 14.6.1, management' s best estimate of total current reserves and resources are considered (including possible and contingent reserve) after appropriately adjusting the associated

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

inherent risks. Impairment loss is reversed subsequently, to the extent that conditions for impairment are no longer present.

14.6.3 **Cash generating unit**

In case of E&P assets, the Group generally considers a project as cash generating unit. However, in case where the multiple fields are using common production/ transportation facilities and are sufficiently economically interdependent the same are considered to constitute a single cash generating unit (CGU).

15. CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification as below.

15.1 An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

15.2 A liability is treated as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

16. NON-CURRENT ASSETS HELD FOR SALE

16.1 The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

16.2 For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

16.3 Non-current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost to sell. Assets and liabilities classified as held for sale are presented separately in the Balance Sheet.

PPE and Intangible Assets once classified as held for sale are not depreciated or amortised.

17. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

17.1 Financial Assets

Initial recognition and measurement

All Financial Assets are recognized initially at fair value plus, in the case of Financial Assets not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the financial assets. Transaction costs directly attributable to the acquisition of financial assets measured at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

Subsequent measurement

For the purpose of subsequent measurement, Financial Assets are classified in four categories:

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

- Financial Assets at amortised cost
- Debt Instruments at fair value through Other Comprehensive Income (FVTOCI)
- Equity Instruments at fair value through Other Comprehensive Income (FVTOCI)
- Financial Assets and derivatives at fair value through profit or loss (FVTPL)

17.1.1 **Financial Assets at Amortised Cost**

A Financial Asset is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows,
and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. Apart from the same, any income or expense arising from remeasurement of financial assets measured at amortised cost, in accordance with Ind AS 109, is recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

17.1.2 **Debt Instrument at FVTOCI**

A 'Debt Instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the Financial Assets, and

b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI).

Debt Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair Value movements are recognized in the Other Comprehensive Income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI Debt Instrument is reported as interest income using the EIR method.

17.1.3 **Equity Instrument at FVTOCI (Other than Subsidiaries, Joint Ventures and Associates)**

All equity investments in scope of Ind AS 109 are measured at fair value. The Group has made an irrevocable election to present subsequent changes in the fair value in Other Comprehensive Income. The classification is made on initial recognition/transition and is irrevocable.

There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment.

Dividend income is recognized in the Statement of Profit and Loss when the Group's right to receive dividend is established.

17.1.4 **Debt Instruments and Derivatives at FVTPL**

FVTPL is a residual category for Debt Instrument. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as at FVTPL.

This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Interest income on such instruments has been presented under interest income.

17.1.5 **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

17.1.6 **Impairment of Financial Assets**

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following Financial Assets and credit risk exposure:

a) Financial Assets that are Debt Instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Lease Receivables under Ind AS 116

Simplified Approach

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Group estimates provision on trade receivables at the reporting date.

General Approach

For recognition of impairment loss on other Financial Assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense /income in the Statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

- Financial Assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- Debt instruments measured at FVTOCI: Since Financial Assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

17.2 Financial Liabilities

17.2.1 **Initial recognition and measurement.**

Financial Liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost, as appropriate.

All Financial Liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortised cost, they are measured net of directly attributable transaction cost. In case of Financial Liabilities measured at fair value through profit or loss, transaction costs directly attributable to the acquisition of financial liabilities are recognized immediately in the Statement of Profit and Loss.

The Group's Financial Liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

17.2.2 **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

A. Financial Liabilities at fair value through profit or loss

Financial Liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Statement of Profit or Loss. Financial Liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

B. Financial Liabilities at amortised cost

Financial Liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

17.2.3 **Derecognition**

A Financial Liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

17.3 Embedded Derivatives

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in the Statement of Profit and Loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

17.4 Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

17.5 Derivative Instrument- Initial recognition / subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value of derivatives depends on the designation or non- designation of derivative as hedging instruments. Derivatives are carried as Financial Assets when the fair value is positive and as financial liabilities when the fair value is negative.

17.5.1 **Derivative that are designated as Hedge Instrument**

The Company designates certain foreign exchange forward contracts commodity forward contracts and interest rates swap contracts for hedging foreign currency risks, commodity price risks and interest rate risks respectively. The Company generally designates the whole forward contract as hedging instrument. These hedges are accounted for as cash flow hedges. These hedging instruments are as per the policies approved by the Board of Directors.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that the hedge is actually have been highly effective throughout the financial reporting periods for which it was designated.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in Other Comprehensive Income and accumulated under the heading Cash Flow Hedge Reserve within Equity. The gain or loss relating to the ineffective portion is recognized immediately in the Statement of Profit and Loss and included in the Other Income or Other Expenses as Gain on Derivatives or Loss on Derivatives respectively.

Amounts previously recognized in OCI and accumulated in equity relating to effective portion are reclassified to Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line item as the recognized hedged item or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting.

17.5.2 **Derivatives that are not designated as hedge instrument**

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through the Statement of Profit and Loss and are included in the Other Income or Other Expenses as Gain on Derivatives or Loss on Derivatives respectively.

17.6 Commodity Contracts

Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost.

18. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank overdraft (negative balance in Account) is shown under short term borrowings under Financial Liabilities & Positive balance in that account is shown in Cash & Cash Equivalents.

19. TREASURY SHARES

Pursuant to the Scheme of Amalgamation, IOC Shares Trust has been set up by IOCL for holding treasury shares in relation to IBP and BRPL mergers. The shares held by IOC Shares Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

20. FAIR VALUE MEASUREMENT

20.1 The Group measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

20.2 The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or In the absence of a principal market, in the most advantageous market for the asset or liability The principal or the most advantageous market must be accessible by the Group.

20.3 The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

20.4 A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

20.5 The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

20.6 All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In case of Level 3 valuations, external valuers are also involved in some cases for valuation of assets and liabilities, such as unquoted Financial Assets, loans to related parties etc.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

21. EARNINGS PER SHARE

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the Equity Shareholders of the Holding Company by the weighted average number of equity shares outstanding during the year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. The holding company did not have any potentially dilutive securities in the years presented.

22. BUSINESS COMBINATIONS AND GOODWILL

22.1 In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2013. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment. The same first time adoption exemption is also used for associates and joint ventures.

22.2 Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquire are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the Financial Assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability

NOTES TO FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES (Contd..)

that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

22.3 Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in OCI and accumulated in equity as Capital Reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

23. NON-CONTROLLING INTEREST

Non-controlling interest represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Company's shareholders. Non-controlling interest is initially measured at the proportionate share of the recognized amounts of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of the interest at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

III. New Standards/ amendments and other changes effective April 1,2021 or thereafter

Ministry of Corporate Affairs notified amendments to the existing standards vide notification G.S.R. 419(E) dated 18th July 2021. The effect of those amendments is not material.

IV. Standards issued but not yet effective

Ministry of Corporate Affairs notifies new standard or amendments to the existing standards. During the year, vide Notification G.S.R. 255(E) dated 23th March 2022, minor modifications in existing standards has been notified which will be applicable from April 1, 2022.

NOTES TO FINANCIAL STATEMENTS

NOTE – 1B: SIGNIFICANT ACCOUNTING ESTIMATES & JUDGEMENTS

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

A. JUDGEMENTS

In the process of applying the Group's accounting policies, management has made the following judgements, which have the significant effect on the amounts recognised in the consolidated financial statements:

Materiality

Ind AS requires assessment of materiality for accounting and disclosure of various transactions in the financial statements. Accordingly, the Group assesses materiality limits for various items for accounting and disclosures and follows on a consistent basis. Overall materiality is also assessed based on various financial parameters such as Gross Block of assets, Net Block of Assets, Total Assets, Revenue and Profit Before Tax. The materiality limits are reviewed and approved by the Board of the Holding Company.

Oil & Gas Reserves

The determination of the group's estimated oil reserves requires significant judgements and estimates to be applied and these are regularly reviewed and updated. Reserves are estimated using independent reservoir engineering reports and factors such as the availability of geological and engineering data, reservoir performance data, acquisition and divestment activity, drilling of new wells, and commodity prices all impact on the determination of the group's estimates of its oil reserves. Independent reservoir engineers perform evaluations of the Corporation's oil and natural gas reserves on an annual basis The group determines its proved reserves estimates on the requirement of reasonable certainty with rigorous technical and commercial assessments based on conventional industry practice and regulatory requirements. Refer note-35 for related disclosure.

Intangible Asset under Development

Acquisition costs and drilling of exploratory well costs are capitalized as intangible asset under development and are reviewed at each reporting date to confirm that exploration drilling is still under way or work has been determined / under way to determine that the discovery is economically viable based on a range of technical & commercial considerations and for establishing development plans and timing , sufficient / reasonable progress is being made. If no future activity is planned on reasonable grounds / timeframes, Intangible asset under development and property acquisition costs is written off. Upon start of production from field and recognition of proved reserves, cost carried as intangible asset under development is transferred to producing properties. Also refer Note-35 for related disclosures.

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events. Refer Note-37 for the related disclosures.

B. ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Defined benefit plans/ Other Long term employee benefits

The cost of the defined benefit plans and other long term employee benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

NOTES TO FINANCIAL STATEMENTS

NOTE – 1B: SIGNIFICANT ACCOUNTING ESTIMATES & JUDGEMENTS (Contd..)

The parameter most subject to change is the discount rate. The management considers the interest rates of government securities based on expected settlement period of various plans.

Further details about various employee benefit obligations are given in Note 36.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Also refer note 40 for further disclosures of estimates and assumptions.

Impairment of Financial Assets

The impairment provisions for trade receivables are made considering simplified approach based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the company's past history and other factors at the end of each reporting period. In case of other financial assets, the Group applies general approach for recognition of impairment losses wherein the Group uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. Also refer Note-41 for impairment analysis and provision.

Provision for decommissioning

At the end of the operating life of the Corporation's facilities and properties and upon retirement of its oil and natural gas assets, decommissioning costs will be incurred. Estimates of these costs are subject to uncertainty associated with the method, timing and extent of future decommissioning activities. The liability, related asset and expense are impacted by estimates with respect to the costs and timing of decommissioning. Refer note-18 for the provisions in respect of decommissioning cost.

Income Taxes

The Group uses estimates and judgements based on the relevant facts, circumstances, present and past experience, rulings, and new pronouncements while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

NOTES TO FINANCIAL STATEMENTS

NOTE - 2: PROPERTY PLANT AND EQUIPMENT

Current Year

(₹ in crore)

		Land - Freehold (Refer A&E)	Buildings, Roads etc. (Refer B&E)	Plant And Equipment	Office Equipments	Transport Equipment	Furniture & Fixtures	Railway Sidings	Drainage, Sewage and Water Supply System	Producing Properties	Right of Use Assets (ROU) (Refer E)	Total
GROSS BLOCK	**Gross Block as at April 01, 2021**	**3,780.97**	**17,114.99**	**1,55,456.73**	**2,188.13**	**104.21**	**802.02**	**199.02**	**1,284.12**	**8,449.01**	**11,592.81**	**2,00,972.01**
	Additions during the year	61.56	214.92	3,889.33	200.74	6.23	31.24	1.24	11.84	258.79	2,402.01	7,077.90
	Transfers from construction work-in-progress	7.10	2,260.49	5,759.27	178.41	3.29	87.68	7.40	0.14	457.15	-	8,760.93
	Disposals/ Deductions / Transfers / Reclassifications/ FCTR	(28.67)	155.80	(438.65)	(97.77)	(1.98)	(19.12)	(4.43)	(0.26)	341.06	(1,371.96)	(1,465.98)
	Gross Block as at March 31, 2022	**3,820.96**	**19,746.20**	**1,64,666.68**	**2,469.51**	**111.75**	**901.82**	**203.23**	**1,295.84**	**9,506.01**	**12,622.86**	**2,15,344.86**
DEPRECIATION & AMORTISATION	**Depreciation & Amortisation as at April 01, 2021**	**-**	**3,874.04**	**36,234.47**	**1,214.06**	**42.99**	**391.01**	**63.60**	**261.52**	**2,303.63**	**2,418.22**	**46,803.54**
	Depreciation & Amortisation during the year (Refer C)	-	991.16	8,116.36	359.36	8.16	78.40	13.62	50.69	643.81	1,653.63	11,915.19
	Disposals/ Deductions / Transfers/ Reclassifications/ FCTR	-	(45.25)	(457.38)	(85.56)	(1.17)	(13.44)	(2.17)	-	102.24	(610.13)	(1,112.86)
	Depreciation & Amortisation as at March 31, 2022	**-**	**4,819.95**	**43,893.45**	**1,487.86**	**49.98**	**455.97**	**75.05**	**312.21**	**3,049.68**	**3,461.72**	**57,605.87**
IMPAIRMENT (Refer H)	**Impairment Loss as at April 01, 2021**	**-**	**19.01**	**103.28**	**-**	**-**	**-**	**-**	**0.27**	**347.52**	**-**	**470.08**
	Impairment Loss during the year	-	-	82.55	-	-	-	-	-	-	-	82.55
	Impairment Loss reversed during the year/ FCTR	-	(2.85)	(19.95)	-	-	-	-	-	14.18	-	(8.62)
	Impairment Loss as at March 31, 2022	**-**	**16.16**	**165.88**	**-**	**-**	**-**	**-**	**0.27**	**361.70**	**-**	**544.01**
	Net Block as at March 31, 2022	**3,820.96**	**14,910.09**	**1,20,607.35**	**981.65**	**61.77**	**445.85**	**128.18**	**983.36**	**6,094.63**	**9,161.14**	**1,57,194.98**

Previous Year

(₹ in crore)

		Land - Freehold	Buildings, Roads etc.	Plant And Equipment	Office Equipments	Transport Equipment	Furniture & Fixtures	Railway Sidings	Drainage, Sewage and Water Supply System	Producing Properties	Right of Use Assets (ROU)	Total
GROSS BLOCK	**Gross Block as at April 01, 2020**	**3,646.51**	**15,257.63**	**1,40,270.64**	**1,872.27**	**92.95**	**720.79**	**183.65**	**1,296.88**	**7,412.89**	**10,514.84**	**1,81,269.05**
	Additions during the year	206.95	153.05	3,660.44	248.28	10.39	31.52	14.60	-	272.30	1,558.29	6,155.82
	Transfers from construction work-in-progress	4.37	1,841.09	12,502.10	172.37	2.67	64.54	1.33	-	387.93	-	14,976.40
	Disposals/ Deductions / Transfers / Reclassifications/ FCTR	(76.86)	(136.78)	(976.45)	(104.79)	(1.80)	(14.83)	(0.56)	(12.76)	375.89	(480.32)	(1,429.26)
	Gross Block as at March 31, 2021	**3,780.97**	**17,114.99**	**1,55,456.73**	**2,188.13**	**104.21**	**802.02**	**199.02**	**1,284.12**	**8,449.01**	**11,592.81**	**2,00,972.01**
DEPRECIATION & AMORTISATION	**Depreciation & Amortisation as at April 01, 2020**	**-**	**3,084.09**	**28,837.32**	**962.88**	**34.66**	**322.85**	**48.91**	**211.10**	**1,750.88**	**1,587.43**	**36,840.12**
	Depreciation & Amortisation during the year (Refer C)	-	806.41	7,613.39	335.31	9.38	76.30	14.71	50.42	457.57	1,201.23	10,564.72
	Disposals/ Deductions / Transfers / Reclassifications/ FCTR	-	(16.46)	(216.24)	(84.13)	(1.05)	(8.14)	(0.02)	-	95.18	(370.44)	(601.30)
	Depreciation & Amortisation as at March 31, 2021	**-**	**3,874.04**	**36,234.47**	**1,214.06**	**42.99**	**391.01**	**63.60**	**261.52**	**2,303.63**	**2,418.22**	**46,803.54**

NOTES TO FINANCIAL STATEMENTS

NOTE - 2: PROPERTY PLANT AND EQUIPMENT (Contd..)

Previous Year (Contd..)

(₹ in crore)

		Land - Freehold	Buildings, Roads etc.	Plant And Equipment	Office Equipments	Transport Equipment	Furniture & Fixtures	Railway Sidings	Drainage, Sewage and Water Supply System	Producing Properties	Right of Use Assets (ROU)	Total
IMPAIRMENT (Refer H)	Total Impairment as at April 01, 2020	-	19.01	99.57	-	-	-	-	0.27	233.78	-	352.63
	Impairment Loss during the year	-	-	3.70	-	-	-	-	-	93.25	-	96.95
	Impairment Loss reversed during the year/ FCTR	-	-	0.01	-	-	-	-	-	20.49	-	20.50
	Total Impairment as at March 31, 2021	-	19.01	103.28	-	-	-	-	0.27	347.52	-	470.08
	Net Block as at March 31, 2021	3,780.97	13,221.94	1,19,118.98	974.07	61.22	411.01	135.42	1,022.33	5,797.86	9,174.59	1,53,698.39

A. i) Freehold Land includes **₹ 1.61 crore** (2021: ₹ 1.61 crore) lying vacant due to title disputes/ litigation.

ii) Out of the Freehold Land measuring 1364.01 acres at Mathura and Agra regions, land measuring 50 acres (approx) has been acquired by NHAI as a part of the NH2 widening project for which the determination of value of compensation is pending. Accordingly, the value of land amounting to ₹ 1.18 crore is continued to be included in Freehold land.

iii) Freehold Land includes ₹ 41.75 crore of compensation paid in respect of land at Panipat Refinery as per District and High court orders of earlier dates, which was later quashed by subsequent High Court order dated 18.12.2019. Since, the process of recovery, for compensation already paid, has been stayed by Honble Supreme Court vide order dated 21.09.2020, necessary adjustment shall be made in the cost of the land upon actual recovery, if any.

B. i) Buildings include **₹ 0.01 crore** (2021: ₹ 0.01 crore) towards value of 1605 (2021: 1605) Shares in Co-operative Housing Societies towards membership of such societies for purchase of flats.

ii) Includes Roads, Bridges etc. (i.e. Assets other than Building) of Gross block amounting to **₹ 5,122.57 crore** (2021: ₹ 4,219.39 crore) and net block amounting to **₹ 2,834.91 crore** (2021: ₹ 2,390.91 crore) .

C. Depreciation and amortisation for the year includes **₹ 11.59 crore** (2021: ₹ 18.33 crore) relating to construction period expenses shown in Note-2.2

D. Railways have claimed transfer of ownership in respect of certain assets provided by the Company at railway premises which has not been accepted by the Group and continue to be part of fixed to be part of Plant, Property & Equipment of the Group, WDV of such assets is **₹ 47.97 crore** (2021: ₹ 49.28 crore). This includes WDV of assets worth **₹ 17.59 crore** (2021: ₹ 17.91 crore) which are being used by other oil companies based on award of tender by Railways. However, considering the right on the assets and future commercial interest of the Group, these assets are continued to be reflected as Property, Plant & Equipment.

E. Land and Buildings (Including ROU Asset) include **₹ 733.68 crore** (2021: ₹ 1282.96 crore) in respect of which Title/ Lease Deeds are pending for execution or renewal.

F. For details regarding hypothecation/ pledge of assets, refer Note-16. For details regarding ROU Assets, refer Note-37.

G. In accordance with the requirements prescribed under Schedule II to Companies Act, 2013, the Group has adopted useful lives as prescribed in that schedule except in some cases as per point no. 2.4.1 of significant accounting policies (Note-1).

H. During the year, Holding Company has provided an impairment loss in the statement of Profit and Loss under the Head 'Depreciation, Amortisation and Impairment on Tangible Assets' on windmills in Rajasthan of **₹ 82.55 crore** (2021: NIL) considering uncertainty over availment of eligible Renewable Energy Certificates (REC) and retaining tariff of ₹ 3.14/Kwh as per RRECL order dated 05.03.2019.

I. Hitherto, the depreciation was being charged pro-rata on quarterly basis on assets from/ upto the quarter of capitalisation/ disposal. As an improvement in present practice, the Holding Company has adopted a shorter time period of monthly grouping for pro-rata depreciation effective from April 01, 2021. The impact on account of above change is reduction in depreciation by **₹ 146.78 crore** in FY 2021-22. However, the overall impact over the useful life of asset will be nil.

NOTES TO FINANCIAL STATEMENTS

NOTE - 2: PROPERTY PLANT AND EQUIPMENT (Contd..)

Details of assets given on operating lease included in the above

(₹ in crore)

Asset Particulars	Gross Block	Accumulated Depreciation & Amortisation	Accumulated Impairment Loss	W.D.V. as at 31.03.22	W.D.V. as at 31.03.21
Land - Freehold	19.25	-	-	**19.25**	16.23
ROU Asset (Land - Leasehold)	78.80	7.61	-	**71.19**	64.42
Buildings	159.69	24.23	0.17	**135.29**	143.85
Plant and Equipment	287.47	31.22	-	**256.25**	270.12
Office Equipment	12.80	4.80	-	**8.00**	8.86
Furniture	1.46	0.37	-	**1.09**	1.12
Drainage, Sewage & Water Supply	-	-	-	**-**	1.55

Details of Company's share of Jointly Owned Assets included in the above:

(₹ in crore)

Asset Particulars	Name of Joint Owner*	Gross Block	Accumulated Depreciation & Amortisation	Accumulated Impairment Loss	W.D.V. as at 31.03.22	W.D.V. as at 31.03.21
Land - Freehold	HPCL, BPCL	1.59	-	-	**1.59**	1.59
ROU Asset (Land - Leasehold)	BPCL	0.05	-	-	**0.05**	0.06
Buildings	HPCL, BPCL, Others	51.45	16.55	-	**34.90**	36.53
Plant and Equipment	HPCL, BPCL, RIL, Others	64.88	22.82	-	**42.06**	45.10
Office Equipments	BPCL	0.51	0.30	-	**0.21**	0.31
Railway Sidings	HPCL, BPCL	17.76	7.16	-	**10.60**	9.51
Drainage,Sewage & Water Supply	HPCL, BPCL, GSFC	0.45	0.09	-	**0.36**	0.37
Total		**136.69**	**46.92**	**-**	**89.77**	**93.47**

* HPCL: Hindustan Petroleum Corporation Ltd., BPCL: Bharat Petroleum Corporation Ltd., GSFC: Gujarat State Fertilizers & Chemicals Ltd., RIL: Reliance Industries Ltd.

Additions to Gross Block Includes:

(₹ in crore)

Asset Particulars	Exchange Fluctuation		Borrowing Cost	
	31.03.22	31.03.21	31.03.22	31.03.21
Buildings	**5.07**	(5.30)	**23.65**	3.11
Plant and Equipment	**247.11**	(252.84)	**68.64**	213.90
Office Equipments	**0.06**	(0.04)	**0.04**	-
Furniture & Fixtures	**-**	-	**0.05**	-
Drainage,Sewage & Water Supply	**11.84**	(12.64)	**0.34**	-
Total	**264.08**	**(270.82)**	**92.72**	**217.01**

NOTES TO FINANCIAL STATEMENTS

NOTE - 2.1: CAPITAL WORK IN PROGRESS

Current Year

(₹ in crore)

Particulars	Construction Work in Progress - Tangible Assets	Capital Stores	Capital Goods in Transit	Construction Period Expenses pending allocation	Total
	Refer A	Refer B			
Balance as at beginning of the year	**25,832.42**	**4,406.37**	**754.28**	**2,169.11**	**33,162.18**
Additions during the year	**16,888.53**	**3,288.06**	**572.80**	**-**	**20,749.39**
Net expenditure during the year (Note - 2.2)	**-**	**-**	**-**	**1,593.02**	**1,593.02**
Transfer to Property, Plant and Equipment (Note 2)	**(8,760.93)**	**-**	**-**	**-**	**(8,760.93)**
Transfer to Property, Plant and Equipment - Direct Addition (Note 2)	**-**	**-**	**(10.41)**	**-**	**(10.41)**
Transfer to Statement of Profit and Loss	**(5.57)**	**-**	**-**	**-**	**(5.57)**
Other Allocation/ Adjustment during the year	**918.10**	**(2,237.51)**	**(770.85)**	**(402.59)**	**(2,492.85)**
	34,872.55	**5,456.92**	**545.82**	**3,359.54**	**44,234.83**
Provision for Capital Losses	**(165.32)**	**(19.69)**	**-**	**-**	**(185.01)**
Closing Balance	**34,707.23**	**5,437.23**	**545.82**	**3,359.54**	**44,049.82**

Previous Year

(₹ in crore)

Particulars	Construction Work in Progress - Tangible Assets	Capital Stores	Capital Goods in Transit	Construction Period Expenses pending allocation	Total
	Refer-A	Refer-B			
Balance as at beginning of the year	**22,003.77**	**5,630.15**	**620.03**	**1,418.40**	**29,672.35**
Additions during the year	17,133.31	2,979.08	862.38	-	20,974.77
Net expenditure during the year (Note - 2.2)	-	-	-	1,400.36	1,400.36
Transfer to Property, Plant and Equipment (Note 2)	(14,976.40)	-	-	-	(14,976.40)
Transfer to Property, Plant and Equipment - Direct Addition (Note 2)	-	-	(26.73)	-	(26.73)
Transfer to Statement of Profit and Loss	(1.56)	(0.26)	-	-	(1.82)
Other Allocation/ Adjustment during the year	1,673.30	(4,202.60)	(701.40)	(649.65)	(3,880.35)
	25,832.42	**4,406.37**	**754.28**	**2,169.11**	**33,162.18**
Provision for Capital Losses	(185.15)	(23.87)	-	-	(209.02)
Closing Balance	**25,647.27**	**4,382.50**	**754.28**	**2,169.11**	**32,953.16**

A. Includes **₹ 461.87 crore** (2021: ₹ 345.06 crore) towards Capital Expenditure relating to ongoing Oil & Gas Exploration & Production activities

B. Includes **₹ 392.84 crore** (2021: ₹ 689 crore) towards Stock lying with Contractors

NOTES TO FINANCIAL STATEMENTS

NOTE - 2.1: CAPITAL WORK IN PROGRESS (Contd..)

Ageing of Capital Work in Progress

(₹ in crore)

Particulars	Amount of CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Current Year					
i) Projects in Progress	**19,333.86**	**14,543.44**	**7,043.21**	**3,136.94**	**44,057.45**
ii) Projects temporarily suspended	**1.78**	**16.97**	**7.48**	**151.15**	**177.38**
Total	**19,335.64**	**14,560.41**	**7,050.69**	**3,288.09**	**44,234.83**
Previous Year					
i) Projects in Progress	19,150.97	8,631.93	3,029.29	2,163.15	32,975.34
ii) Projects temporarily suspended	23.06	7.86	72.95	82.97	186.84
Total	**19,174.03**	**8,639.79**	**3,102.24**	**2,246.12**	**33,162.18**

Completion Schedule of Capital Work in Progress for Projects where Completion is Overdue or Cost has Exceeded its Original Plan

Current Year

(₹ in crore)

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
i) Projects in Progress				
- Fuel Quality Upgradation Project	**3,404.73**			
- Indjet Unit at Barauni Refinery	**128.32**			
- Infrastructure development to facilitate import of Grid power	**420.22**			
- 2G Ethanol Plant at Panipat Refinery	**548.44**			
- Ethanol production from PSA Off gas at Panipat Refinery	**539.29**			
- Catalyst Manufacturing Unit at Panipat Refinery	**162.87**			
- NCU Expansion at Panipat Refinery	**878.11**			
- PX/PTA Expansion at Panipat Refinery	**383.95**			
- Infrastructure at Dumad for (Koyali Ahmednagar Solapur Pipeline) KASPL	**292.54**			
- Additional Tankages Project at Paradip Refinery	**201.34**			
- MEG Project at Paradip Refinery	**3,666.69**			
- CBR-Trichy Product Pipeline	**108.26**			
- Paradip - Hyderabad Pipeline	**2,783.26**			
- Augmentation of PHDPL and its extension upto Patna and Muzaffarpur	**1,488.56**			
- Koyali - Ahmednagar-Sholapur Pipeline	**1,542.71**			
- Ennore-Thiruvallur-Bengaluru-Puducherry-Nagapattinam-Madurai-Tuticorin Gas Pipeline	**3,585.20**			

NOTES TO FINANCIAL STATEMENTS

NOTE - 2.1: CAPITAL WORK IN PROGRESS (Contd..)

Completion Schedule of Capital Work in Progress for Projects where Completion is Overdue or Cost has Exceeded its Original Plan (Contd..)

(₹ in crore)

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
- Paradip-Somnathpur-Haldia Pipeline	**818.51**			
- 30" OD Crude Oil Pipeline in H-B section of PHBPL and Conversion of existing 18" twin pipelines in H-B section from crude to Product & Gas service	**2,224.08**			
- LPG Import Facility At Paradip	**593.93**			
- Motihari LPG Bottling Plant	**168.87**			
- POL Terminal at Motihari	**196.40**			
- Railhead depot at Silchar (Assam)	**123.08**			
- TOP at Manmad Terminal	**149.48**			
- TOP at Solapur Depot	**231.92**			
- TOP at Ahmednagar Depot	**167.44**			
- Augmentation of Ratlam Terminal Project	**252.79**			
- POL Terminal at Atchutapuram	**233.14**			
- Guntakal Railfed Depot	**180.20**			
- TOP on PHPL at Vijayawada	**152.86**			
- Cochin LPG Import facility	**488.02**			
- Pipeline TOP at Asaur	**216.81**			
- BK-CBM-2001/1	**220.73**			
- NK-CBM-2001/1		**109.31**		
- BS VI Projects	**921.45**			
- RESID-COKE Handling System	**223.41**			
- Cooling Tower	**42.90**			
- Others Projects *	**1,895.63**	**9.84**	**0.02**	**-**
Total	**29,636.15**	**119.15**	**0.02**	**-**
ii) Projects temporarily suspended				
- 80 TPH PETCOKE FIRED BOILER Project at Guwahati Refinery				**120.38**
- Others Projects *	**16.07**	**0.30**	**0.47**	**39.92**
Total	**16.07**	**0.30**	**0.47**	**160.30**

NOTES TO FINANCIAL STATEMENTS

NOTE - 2.1: CAPITAL WORK IN PROGRESS (Contd..)

Completion Schedule of Capital Work in Progress for Projects where Completion is Overdue or Cost has Exceeded its Original Plan (Contd..)

Previous Year

(₹ in crore)

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
i) Projects in Progress				
- 2G Ethanol Plant at Panipat Refinery		274.74		
- Ethanol production from PSA Off gas at Panipat Refinery		291.74		
- NCU Expansion at Panipat Refinery		602.47		
- Fuel Quality Upgradation Project	284.23	1,702.88		
- Additional Crude Tanks Project at Paradip Refinery		156.82		
- MEG Project at Paradip Refinery		2,739.16		
- Infrastructure at Dumad for (Koyali Ahmednagar Solapur Pipeline) KASPL		189.66		
- Paradip - Hyderabad Pipeline	2,693.63			
- Augmentation of PHDPL and its extension upto Patna and Muzaffarpur	1,205.24			
- Koyali - Ahmednagar-Sholapur Pipeline	1,286.75			
- Ennore-Thiruvallur-Bengaluru-Puducherry-Nagapattinam-Madurai-Tuticorin Gas Pipeline	3,004.12			
- Augmentation of Chennai Trichy Madurai Pipeline	112.97			
- LPG Import Facility At Paradip	554.19			
- Motihari LPG Bottling Plant	127.87			
- POL Terminal at Motihari	226.67			
- Railhead depot at Silchar (Assam)	210.15			
- Augmentation of Ratlam Terminal Project	168.91			
- Modernisation of Lube Blending Plant, Trombay	109.89			
- Guntakal Railfed Depot	232.00			
- Revamping/Augmentation of Baitalpur Depot	143.29			
- BK-CBM-2001/1		177.51		
- BS VI Projects		804.63		
- Gasified Liquified Natural Gas (RLNG)	96.67			
- RESID-COKE Handling System		206.37		
- Cooling Tower		39.04		
- Others Projects *	964.91	411.50	93.57	0.96
Total	**11,421.48**	**7,596.52**	**93.57**	**0.96**
ii) Projects temporarily suspended				
- 80 TPH PETCOKE FIRED BOILER Project at Guwahati Refinery				120.38
- Others Projects *	14.60	10.85	0.06	40.39
Total	**14.60**	**10.85**	**0.06**	**160.77**

* Projects with actual expenditure less than ₹100 crore have been clubbed under Others Projects

NOTES TO FINANCIAL STATEMENTS

NOTE - 2.2: CONSTRUCTION PERIOD EXPENSES (NET) DURING THE YEAR

(₹ in crore)

Particulars		March 31, 2022	March 31, 2021
Employee Benefit Expenses		**477.68**	446.06
Repairs and Maintenance		**6.61**	5.82
Consumption of Stores and Spares		**0.16**	0.20
Power & Fuel		**8.34**	58.53
Rent		**13.21**	11.47
Rates and Taxes		**1.55**	2.69
Travelling Expenses		**63.27**	59.24
Communication Expenses		**1.75**	1.78
Printing and Stationery		**0.87**	0.81
Electricity and Water Charges		**3.64**	6.76
Bank Charges		**0.11**	0.06
Technical Assistance Fees		**3.89**	2.40
Finance Costs	A	**968.29**	724.96
Depreciation, Amortisation and Impairment on :			
Property, Plant and Equipment		**11.59**	18.33
Intangible Assets		**0.11**	0.30
Start Up/ Trial Run Expenses (net of revenue)		**0.98**	5.30
Others		**55.03**	70.36
Total Expenses		**1,617.08**	**1,415.07**
Less : Recoveries		**24.06**	14.71
Net Expenditure during the year		**1,593.02**	**1,400.36**

A. Rate of Specific borrowing eligible for capitalisation is **1.11% to 7.41%** (2021: 1.08% to 8.12%)

NOTES TO FINANCIAL STATEMENTS

NOTE - 3: INTANGIBLE ASSETS

Current Year

(₹ in crore)

		Right of Way	Licenses	Computer Software	Total
GROSS BLOCK	**Gross Block as at April 01, 2021**	**1,270.30**	**3,193.31**	**374.36**	**4,837.97**
	Additions during the year	**110.14**	**13.21**	**22.53**	**145.88**
	Transfers from Intangible Assets under Development	**-**	**86.68**	**42.44**	**129.12**
	Disposals/ Deductions / Transfers / Reclassifications/ FCTR	**-**	**53.17**	**(12.12)**	**41.05**
	Gross Block as at March 31, 2022	**1,380.44**	**3,346.37**	**427.21**	**5,154.02**
DEPRECIATION, AMORTISATION AND IMPAIRMENT	**Total Amortisation as at April 01, 2021**	**19.37**	**800.25**	**256.00**	**1,075.62**
	Amortisation during the year	**3.80**	**282.13**	**75.61**	**361.54**
	Disposals/ Deductions / Transfers / Reclassifications/ FCTR	**-**	**19.67**	**(11.93)**	**7.74**
	Total Amortisation as at March 31, 2022	**23.17**	**1,102.05**	**319.68**	**1,444.90**
	Total Impairment as at April 01, 2021	**0.27**	**376.70**	**0.02**	**376.99**
	Impairment Loss during the year	**-**	**-**	**-**	**-**
	Impairment Loss reversed during the year	**-**	**13.82**	**(0.02)**	**13.80**
	Total Impairment as at March 31, 2022	**0.27**	**390.52**	**-**	**390.79**
	Net Block as at March 31, 2022	**1,357.00**	**1,853.80**	**107.53**	**3,318.33**

Previous Year

(₹ in crore)

		Right of Way	Licenses	Computer Software	Total
GROSS BLOCK	**Gross Block as at April 01, 2020**	**919.57**	**2,955.11**	**251.63**	**4,126.31**
	Additions during the year	350.71	28.00	31.62	410.33
	Transfers from Intangible Assets under Development	-	276.21	90.99	367.20
	Disposals/ Deductions / Transfers / Reclassifications/ FCTR	0.02	(66.01)	0.12	(65.87)
	Gross Block as at March 31, 2021	**1,270.30**	**3,193.31**	**374.36**	**4,837.97**
DEPRECIATION, AMORTISATION AND IMPAIRMENT	**Amortisation as at April 01, 2020**	**14.37**	**608.01**	**169.01**	**791.39**
	Amortisation during the year	5.01	206.56	86.83	298.40
	Disposals/ Deductions / Transfers / Reclassifications/ FCTR	(0.01)	(14.32)	0.16	(14.17)
	Amortisation as at March 31, 2021	**19.37**	**800.25**	**256.00**	**1,075.62**
	Impairment Losss as at April 01, 2020	**0.27**	**389.84**	**0.01**	**390.12**
	Impairment Loss during the year	-	-	0.01	0.01
	Impairment Loss reversed during the year	-	(13.14)	-	(13.14)
	Impairment Loss as at March 31, 2021	**0.27**	**376.70**	**0.02**	**376.99**
	Net Block as at March 31, 2021	**1,250.66**	**2,016.36**	**118.34**	**3,385.36**

A. Amortisation for the year includes **₹ 0.11 crore** (2021: ₹ 0.30 crore) relating to construction period expenses taken to Note 2.2

B. Hitherto, the amortisation was being charged pro-rata on quarterly basis on assets from/ upto the quarter of capitalisation/ disposal. As an improvement in present practice, the company has adopted a shorter time period of monthly grouping for pro-rata depreciation effective from April 01, 2021. The impact on account of above change is reduction in amortisation by **₹ 2.13 crore** in FY 2021-22. However, the overall impact over the useful life of asset will be nil.

B. Net Block of Intangible assets with indefinite useful life:

(₹ in crore)

	March 31, 2022	March 31, 2021
Right of Way	**1,353.91**	1,243.77

Right of way for laying pipelines are acquired on a perpetual basis.

NOTES TO FINANCIAL STATEMENTS

NOTE - 3.1: INTANGIBLE ASSETS UNDER DEVELOPMENT

Current Year

(₹ in crore)

	Total
Balance as at beginning of the year	**5,975.65**
Net expenditure during the year	**524.81**
Transfer to Intangible Assets (Note 3)	**(129.12)**
Other Allocation/ Adjustment during the year	**(110.00)**
	6,261.34
Provision for Loss	**(2,841.89)**
Closing Balance	**3,419.45**

Previous Year

(₹ in crore)

	Total
Balance as at beginning of the year	**5,552.44**
Net expenditure during the year	558.05
Transfer to Intangible Assets (Note 3)	(367.20)
Transfer to Statement of Profit and Loss	(46.22)
Other Allocation/ Adjustment during the year	278.58
	5,975.65
Provision for Loss	(2,638.27)
Closing Balance	**3,337.38**

Intangible assets under development are mainly in the nature of Exploration & Production Blocks and Licences & Computer Softwares. Amount above Includes **₹ 1,953.03 crore** (2021: ₹ 1,858.78 crore) towards Capital Expenditure (Net) relating to ongoing Oil & Gas Exploration & Production activities

Ageing of Intangible Assets under Development

(₹ in crore)

Particulars	Amount of Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Current Year					
i) Projects in Progress	**113.50**	**653.26**	**365.36**	**4,650.28**	**5,782.40**
ii) Projects temporarily suspended	**0.28**	**11.35**	**60.82**	**406.49**	**478.94**
Total	**113.78**	**664.61**	**426.18**	**5,056.77**	**6,261.34**

(₹ in crore)

Particulars	Amount of Intangible Assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Previous Year					
i) Projects in Progress	322.36	701.39	372.54	4,207.10	5,603.39
ii) Projects temporarily suspended	-	-	-	372.26	372.26
Total	**322.36**	**701.39**	**372.54**	**4,579.36**	**5,975.65**

NOTES TO FINANCIAL STATEMENTS

NOTE - 3.1: INTANGIBLE ASSETS UNDER DEVELOPMENT (Contd..)

Completion Schedule of Intangible Assets under Development for Projects where Completion is Overdue or Cost has Exceeded its Original Plan

(₹ in crore)

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Current Year				
i) Projects in Progress				
- NCU Expansion at Panipat Refinery	**107.97**			
- Acrlycs/ OXO Alcohol project at Gujarat Refinery		**204.70**		
- Shakthi Gabon			**148.77**	
- Others	**263.53**	**25.25**	**-**	**-**
Total	**371.50**	**229.95**	**148.77**	**-**
ii) Projects temporarily suspended				
- Residue Upgradation Project at Mathura Refinery				**132.21**
- Farsi, Iran				**126.26**
- Others	**-**	**-**	**-**	**220.47**
Total	**-**	**-**	**-**	**478.94**

(₹ in crore)

Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Previous Year				
i) Projects in Progress				
- NCU Expansion at Panipat Refinery		107.97		
- Shakthi Gabon				148.78
- Others	14.02	132.71	25.25	0.01
Total	**14.02**	**240.68**	**25.25**	**148.79**
ii) Projects temporarily suspended				
- Residue Upgradation Project at Mathura Refinery				132.21
- Farsi, Iran				126.25
- Others	-	-	-	113.80
Total	**-**	**-**	**-**	**372.26**

NOTES TO FINANCIAL STATEMENTS

NOTE - 4: INVESTMENTS

Particulars	Investment Currency	Face Value/ Paid up Value	March 31,2022		March 31,2021	
			Number	Carrying/ Fair Value ₹ in crore	Number	Carrying/ Fair Value ₹ in crore
NON-CURRENT INVESTMENTS :						
I In Equity Shares						
A In Associates (Equity Method*):						
QUOTED:						
Petronet LNG Limited	Indian Rupees	10	**187500000**	**1,708.51**	187500000	1,465.65
UNQUOTED:						
Avi-Oil India Private Limited	Indian Rupees	10	**4500000**	**18.84**	4500000	17.47
Petronet India Limited (under liquidation)	Indian Rupees	0.10	**18000000**	**0.47**	18000000	0.47
Petronet VK Limited	Indian Rupees	10	**50000000**	**0.02**	50000000	0.02
Sub-total: (I)(A)				**1,727.84**		**1483.61**
B In Joint Ventures (Equity Method*):						
UNQUOTED:						
Indian Oiltanking Limited	Indian Rupees	10	**494828289**	**715.97**	494828289	681.08
Lubrizol India Private Limited	Indian Rupees	100	**499200**	**178.28**	499200	179.69
Indian Oil Petronas Private Limited	Indian Rupees	10	**134000000**	**607.18**	134000000	632.86
Petronet CI Limited (under liquidation)	Indian Rupees	10	**3744000**	**-**	3744000	-
Green Gas Limited	Indian Rupees	10	**23047250**	**195.06**	23042250	165.96
IndianOil SkyTanking Private Limited	Indian Rupees	10	**25950000**	**91.05**	25950000	84.90
Suntera Nigeria 205 Limited	Naira	1	**2500000**	**-**	2500000	-
Delhi Aviation Fuel Facility Private Limited	Indian Rupees	10	**60680000**	**90.00**	60680000	91.97
Indian Synthetic Rubbers Private Limited	Indian Rupees	10	**222861375**	**318.67**	222861375	199.30
NPCIL-IndianOil Nuclear Energy Corporation Limited	Indian Rupees	10	**260000**	**0.38**	260000	0.37
GSPL India Gasnet Limited	Indian Rupees	10	**491925030**	**499.76**	413925030	402.66
GSPL India Transco Limited	Indian Rupees	10	**157820000**	**90.76**	151320000	124.70
Indian Oil Adani Gas Private Limited	Indian Rupees	10	**631190000**	**619.82**	432245000	416.09
Mumbai Aviation Fuel Farm Facility Private Limited	Indian Rupees	10	**52918750**	**94.64**	48288750	87.62
Kochi Salem Pipeline Private Limited	Indian Rupees	10	**275000000**	**260.38**	202500000	192.94
IndianOil LNG Private Limited [a] (Refer Note B.5)	Indian Rupees	10	**4500**	**-**	5000	-
Hindustan Urvarak and Rasayan Limited	Indian Rupees	10	**1629415000**	**1,621.43**	1131765000	1,129.67
Ratnagiri Refineries & Petrochemicals Limited	Indian Rupees	10	**100000000**	**59.41**	100000000	63.82
Indradhanush Gas Grid Limited	Indian Rupees	10	**85000000**	**82.31**	61000000	57.92
IHB Limited	Indian Rupees	10	**1029000000**	**1,027.92**	829000000	829.51
IndianOil Total Private Limited	Indian Rupees	10	**15000000**	**13.51**	7500000	6.39
IOC Phinergy Private Limited	Indian Rupees	10	**562500**	**0.34**	-	-
Paradeep Plastic Park Limited	Indian Rupees	10	**32720000**	**32.69**	-	-
Indian Additives Limited	Indian Rupees	100	**1183401**	**208.44**	1183401	198.51
National Aromatics and Petrochemical Corporation Limited	Indian Rupees	10	**25000**	**-**	25000	-

NOTES TO FINANCIAL STATEMENTS

NOTE - 4: INVESTMENTS (Contd...)

Particulars	Investment Currency	Face Value/ Paid up Value	March 31,2022		March 31,2021	
			Number	Carrying/ Fair Value ₹ in crore	Number	Carrying/ Fair Value ₹ in crore
VANKOR India Pte Limited	USD	1	**568968589**	**4,335.88**	568968589	4,527.61
TAAS India Pte Limited	USD	1	**407941730**	**3,283.08**	407941730	3,296.87
Urja Bharat Pte. Limited	USD	1	**37500100**	**140.05**	32500100	110.61
Bharat Energy Office LLC	RUB	1000000	**1**	**0.76**	-	-
Falcon Oil & Gas BV	USD	1	**30**	**39.39**	30	45.42
Beximco IOC Petroleum & Energy Limited	Bangladeshi Taka	10	**50000**	**-**	50000	0.04
Sub-total: (I)(B)				**14,607.16**		**13,526.51**
Total Investments in Associates & JVs [(I)(A)+(I)(B)]				**16,335.00**		**15,010.12**
C In Others						
Investments designated at fair value through OCI:						
QUOTED:						
Oil and Natural Gas Corporation Limited	Indian Rupees	5	**986885142**	**16,175.05**	986885142	10,081.03
GAIL (India) Limited	Indian Rupees	10	**108905460**	**1,695.11**	108905460	1,475.67
Oil India Limited	Indian Rupees	10	**53501100**	**1,275.46**	53501100	656.99
Phinergy Limited	USD	148	**82770**	**70.47**	82770	118.39
UNQUOTED:						
International Cooperative Petroleum Association, New York	USD	100	**350**	**0.02**	350	0.02
Haldia Petrochemical Limited	Indian Rupees	10	**150000000**	**920.25**	150000000	855.40
Indian Gas Exchange Limited	Indian Rupees	10	**3693750**	**5.85**		
Vadodara Enviro Channel Limited [b] (Formerly Effluent Channel Projects Limited)	Indian Rupees	10	**7151**	**-**	7151	-
Woodlands Multispeciality Hospital Limited (Refer Note B.2)	Indian Rupees	-	**-**	**-**	101095	0.10
Shama Forge Co. Limited [c] (under liquidation)	Indian Rupees	10	**100000**	**-**	100000	-
BioTech Consortium India Limited	Indian Rupees	10	**100000**	**0.10**	100000	0.10
Ceylon Petroleum Storage Terminal Limited	Sri Lankan Rupees	10	**250000000**	**119.05**	250000000	261.31
Trinco Petroleum Terminal Private Limited	Sri Lankan Rupees	10	**4900**	**1.28**		
Lanzatech New Zealand Limited	USD	19.9294	**1204251**	**410.23**	1204251	161.13

*Investment in Joint Ventures/ Associates have been shown as per equity method of consolidation. Accordingly, carrying value of investments have been reduced by share of losses and wherever other long term interest in the entity exists, unadjusted losses,if any, have been set-off against such interest.

NOTES TO FINANCIAL STATEMENTS

NOTE - 4: INVESTMENTS (Contd...)

Particulars	Investment Currency	Face Value/ Paid up Value	March 31,2022		March 31,2021	
			Number	Carrying/ Fair Value ₹ in crore	Number	Carrying/ Fair Value ₹ in crore
Carabobo Ingenieria Y Construcciones S.A.	USD		12.1% of Capital Stock	-	12.1% of Capital Stock	6.44
Petrocarabobo S.A.	USD		3.5% of Capital Stock	39.79	3.5% of Capital Stock	339.64
Mer Rouge Oil Storage Terminal Co Ltd ("MOST")	Mauritian Rupees	1,000	5000	14.57	5000	5.67
In Consumer Cooperative Societies:						
Barauni [d]	Indian Rupees	10	250	-	250	-
Guwahati [e]	Indian Rupees	10	750	-	750	-
Mathura [f]	Indian Rupees	10	200	-	200	-
Haldia [g]	Indian Rupees	10	2190	-	2190	-
In Indian Oil Cooperative Consumer Stores Limited, Delhi [h]	Indian Rupees	10	375	-	375	-
MRL Industrial Cooperative Service Society Ltd	Indian Rupees	10	9000	0.01	9000	0.01
Sub-total: (I)(C)				20,727.24		13,961.90
Sub-total: (I)=[(I)(A)+(I)(B)+(I)(C)]				37,062.24		28,972.02
II In Preference Shares						
Investments at fair value through profit or loss						
UNQUOTED:						
Shama Forge Co. Limited [i] (under liquidation)	Indian Rupees	100	5000	-	5000	-
9.5% Cumulative Redeemable Preference Shares						
Sub-total: (II)				-		-
III In Government Securities						
Investments at fair value through OCI						
Quoted: (Note A and B)						
Oil Marketing Companies GOI Special Bonds	Indian Rupees	10,000	2977930	3,086.87	-	-
9.15% Govt Stock 2024	Indian Rupees	10,000	6000	6.74	1960000	2,263.75
7.35% Govt Stock 2024	Indian Rupees	10,000	695000	738.24	695000	752.49
Sub-total: (III)				3831.85		3,016.24
IV In Debentures or Bonds						
(Investments in JV adjusted for equity method)						
Unquoted:						
IndianOil LNG Private Limited	Indian Rupees	10,00,000	36650	3,444.67	36650	3,445.95
(7.45% Fully and Compulsorily Convertible Debentures)						
Sub-total: (IV)				3,444.67		3,445.95
Total Other Investments [(I)(C)+(II)+(III)+(IV)]				28,003.76		20,424.09
Total Non Current Investments (I+II+III+IV)				44,338.76		35,434.21

NOTES TO FINANCIAL STATEMENTS

NOTE - 4: INVESTMENTS (Contd...)

Particulars	Investment Currency	Face Value/ Paid up Value	March 31,2022		March 31,2021	
			Number	Carrying/ Fair Value ₹ in crore	Number	Carrying/ Fair Value ₹ in crore
CURRENT INVESTMENTS :						
Unquoted: (at fair value through profit or loss)						
Unit Trust Investment (NAV)	Sri Lankan Rupees			63.95		289.02
Investment through portfolio management services	Sri Lankan Rupees			184.43		126.30
In Government Securities (at fair value through OCI)						
Quoted:						
Oil Marketing Companies GOI Special Bonds	Indian Rupees	10,000	5205090	5,570.98	8261020	8,867.29
9.15% Govt Stock 2024	Indian Rupees	10,000	1954000	2,193.84	-	-
				8,013.20		9,282.61

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Aggregate carrying value of quoted investments	32,521.27	25,681.26
Aggregate market value of quoted investments	34,445.57	28,427.80
Aggregate carrying value of unquoted investments	19,830.69	19,035.56
Aggregate amount of impairment in value of investments	-	-

Note: A

Investment in Oil Marketing Companies GOI Special Bonds consists of:

Nature of Bond	No. of Bonds	Face Value (₹ in crore)	Investment Value (₹ in crore)	Carrying Value (₹ in crore)
1 Current investment:				
7.95% GOI SPECIAL BONDS 2025	457250	457.25	457.25	491.18
8.20% GOI SPECIAL BONDS 2023	1453510	1,453.51	1,453.51	1,570.86
8.00% GOI SPECIAL BONDS 2026	189270	189.27	189.27	201.71
8.20% GOI SPECIAL BONDS 2024	3105060	3,105.06	3,105.06	3,307.23
Total Current Investments	5205090	5,205.09	5,205.09	5,570.98
2 Non Current investment:				
6.90% GOI SPECIAL BONDS 2026	2977930	2,977.93	2,977.93	3,086.87
Total Non Current Investments	2977930	2,977.93	2,977.93	3,086.87

NOTES TO FINANCIAL STATEMENTS

NOTE - 4: INVESTMENTS (Contd...)

Note: B - Other Disclosures

1 During the year, Oil Marketing Companies 6.90% Special Bonds of investment value of ₹ 2,977.93 crore is reclassified from Current to Non Current Investment and 9.15% Govt Stock 2024 of Investment value of ₹ 2,236.07 crore is reclassified from Non Current to Current Investment.

2 During the year, the company has reclassified investment in 101095 Equity shares of Woodlands Multispecialty Hospital Limited with carrying value of **₹ 0.10 crore** (2021: ₹ 0.10 crore) as held for sale.

3 Following, Government Securities pledged in favour of Clearing Corporation of India Ltd. (CCIL) for Loans through Tri-party Repo Segment (TREPS) of CCIL have been classified as Non Current.

(₹ in crore)

Particulars	March 31,2022			March 31,2021		
	Face Value	Investment Value	Carrying Value	Face Value	Investment Value	Carrying Value
9.15% GOVT.STOCK 2024	**6.00**	**6.84**	**6.74**	1,960.00	2,242.91	2,263.75
7.35% GOVT.STOCK 2024	**695.00**	**704.04**	**738.24**	695.00	704.04	752.49
Oil Marketing Companies GOI Special Bonds	**2,977.93**	**2,977.93**	**3,086.87**	-	-	-

4 Out of Oil Marketing Companies 8.20% GOI Special Bonds 2024 classified as Current Investment, bonds of Investment value ₹ 2336 crore (Carrying value ₹ 2488.10 crore) has been used as collateral against availment of overnight borrowings through CROMS platform of CCIL.

5 During the current year, 500 equity shares of Indian Oil LNG Private Limited having face value and Investment value of ₹ 5000 has been sold to Tamil Nadu Industrial Development Corporation.

6 Following are not reflecting above due to rounding off:-

(Amount in ₹)

Particulars	March 31, 2022	March 31, 2021
a IndianOil LNG Private Limited	**45,000**	50,000
b Vadodara Enviro Channel Limited	**10**	10
c Shama Forge Co. Limited	**100**	100
d Barauni Consumer Cooperative Societies	**2,500**	2,500
e Guwahati Consumer Cooperative Societies	**2,500**	2,500
f Mathura Consumer Cooperative Societies	**2,000**	2,000
g Haldia Consumer Cooperative Societies	**16,630**	16,630
h Indian Oil Cooperative Consumer Stores Limited, Delhi	**3,750**	3,750
i Shama Forge Co. Limited	**100**	100

NOTES TO FINANCIAL STATEMENTS

NOTE - 5: LOANS (At amortised cost unless otherwise stated)

(₹ in crore)

Particulars	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Loans				
To Related Parties				
Secured, Considered Good	**0.34**	0.17	**0.06**	104.69
Unsecured, Considered Good	**120.90**	15.11	**0.49**	106.78
Credit Impaired	**110.90**	-	**0.60**	0.60
	232.14	**15.28**	**1.15**	**212.07**
Less : Allowance for Doubtful Loans	**110.90**	-	**0.60**	0.60
	121.24	**15.28**	**0.55**	**211.47**
To Others				
Secured, Considered Good	**898.94**	940.68	**119.77**	115.95
Unsecured, Considered Good	**1,414.98**	1,747.97	**360.40**	319.24
Which have significant increase in Credit Risk	**132.32**	215.03	**21.34**	17.44
Credit Impaired	**247.79**	348.75	**197.32**	206.31
	2,694.03	**3,252.43**	**698.83**	**658.94**
Less : Allowance for Doubtful Loans	**522.31**	820.28	**248.46**	258.12
	2,171.72	**2,432.15**	**450.37**	**400.82**
TOTAL	**2,292.96**	**2,447.43**	**450.92**	**612.29**

NOTE - 6: OTHER FINANCIAL ASSETS (Unsecured, Considered Good at amortised cost unless otherwise stated)

(₹ in crore)

Particulars	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Security Deposits				
To Others				
Secured, Considered Good	**0.10**	0.09	**-**	-
Unsecured, Considered Good	**192.13**	167.77	**290.03**	318.81
Credit Impaired	**-**	-	**1.42**	1.40
	192.23	167.86	**291.45**	320.21
Less: Allowance for Doubtful Deposits	**-**	-	**1.42**	1.40
	192.23	167.86	**290.03**	318.81
Advances for Investments A	**2,276.85**	1,460.64		
Amount Recoverable from Central/State Governments	**-**	-	**414.11**	681.45
Finance Lease Receivables	**0.83**	1.93	**2.51**	2.13
Deposits for Leave Encashment Fund	**128.06**	111.08	**-**	-
Interest Accrued on Investments/ Bank Deposits/ Loans	**-**	-	**0.03**	0.10
Derivative Instruments at Fair Value	**-**	-	**76.72**	45.13
Advance to Employee Benefits Trusts/Funds	**-**	-	**151.83**	870.53

NOTES TO FINANCIAL STATEMENTS

NOTE - 6: OTHER FINANCIAL ASSETS (Unsecured, Considered Good at amortised cost unless otherwise stated) (Contd...)

(₹ in crore)

Particulars	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Bank Deposits (with original maturity of more than 12 months) B	39.64	376.09	0.42	2.04
Claims Recoverable:				
From Related Parties				
Unsecured, Considered Good	-	-	54.99	55.70
Credit Impaired	-	-	26.92	26.92
	-	-	81.91	82.62
From Others				
Unsecured, Considered Good	-	-	169.06	297.88
Credit Impaired	-	-	199.99	187.61
	-	-	369.05	485.49
Less : Provision for Doubtful Claims	-	-	226.91	214.53
	-	-	142.14	270.96
	-	-	224.05	353.58
Others:				
Unsecured, Considered Good	1.67	2.65	349.52	272.20
Which have significant increase in Credit Risk	-	-	-	402.54
Credit Impaired	-	-	14.92	3.04
	1.67	2.65	364.44	677.78
Less: Allowance for doubtful asset	-	-	14.92	74.60
	1.67	2.65	349.52	603.18
TOTAL	2,639.28	2,120.25	1,509.22	2,876.95

A. Advance for equity pending allotment.

B. Earmarked in favour of Statutory Authorities/ provided as Security to participate in Tender.

NOTE - 7: INCOME TAX/CURRENT TAX ASSET/ (LIABILITY) - NET

(₹ in crore)

Particulars	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Income/Current Tax Asset/ (Liability) - Net				
Advance payments for Current Tax	8,444.12	21,340.87	6,165.52	4,703.29
Less : Provisions	5,624.61	18,860.96	6,784.83	5,505.81
TOTAL	2,819.51	2,479.91	(619.31)	(802.52)

NOTES TO FINANCIAL STATEMENTS

NOTE - 8: OTHER ASSETS (NON FINANCIAL) (Unsecured, Considered Good unless otherwise stated)

(₹ in crore)

Particulars	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Advances for Capital Expenditure				
To Others				
Secured, Considered Good	15.21	21.01		
Unsecured, Considered Good	1,337.53	1,116.23		
Unsecured, Considered Doubtful	9.33	9.36		
	1,362.07	1,146.60		
	1,362.07	1,146.60		
Less: Provision for Doubtful Advances	9.33	9.36		
	1,352.74	1,137.24		
Advances Recoverable				
From Related Parties				
Unsecured, Considered Good	1,022.29	719.76	23.94	22.66
From Others				
Unsecured, Considered Good	284.60	15.25	2,202.50	2,173.70
Unsecured, Considered Doubtful	-	-	4.57	292.62
	284.60	15.25	2,207.07	2,466.32
Less : Provision for Doubtful Advances	-	-	4.57	292.62
	284.60	15.25	2,202.50	2,173.70
	1,306.89	735.01	2,226.44	2,196.36
Claims Recoverable :				
From Others				
Unsecured, Considered Good	-	-	727.36	447.36
Unsecured, Considered Doubtful	-	-	34.27	29.98
	-	-	761.63	477.34
Less : Provision for Doubtful Claims	-	-	34.27	29.98
	-	-	727.36	447.36
	-	-	727.36	447.36
Balance/ Deposits with Government Authorities				
Unsecured, Considered Good	-	-	500.92	521.77
Gold / Other Precious Metals	-	-	118.08	71.31
Less : Provision for Diminution in value	-	-	5.67	-
	-	-	112.41	71.31
Deferred Expenses	1,013.53	948.88	118.74	116.88
Prepaid Rentals	16.87	29.96	20.14	63.64
Pre-Spent Corporate Social Responsibility Expenses	-	-	93.52	118.37
Others	-	-	42.50	22.96
TOTAL	3,690.03	2,851.09	3,842.03	3,558.65

NOTES TO FINANCIAL STATEMENTS

NOTE - 9: INVENTORIES

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
In Hand :		
Raw Materials	**29,978.62**	18,756.61
Stock in Process	**10,728.63**	6,263.12
Finished Products	**38,898.49**	31,473.92
Stock in Trade	**8,267.08**	6,703.39
Stores, Spares etc.	**5,464.36**	5,036.71
Less : Provision for Losses	**257.11**	229.17
	5,207.25	**4,807.54**
Barrels and Tins	**122.45**	106.30
	93,202.52	**68,110.88**
In Transit :		
Raw Materials	**14,139.83**	11,268.13
Finished Products	**1,387.46**	1,112.22
Stock in Trade	**2,710.95**	2,728.98
Stores, Spares etc.	**295.75**	207.25
	18,533.99	**15,316.58**
TOTAL	**1,11,736.51**	**83,427.46**
Amount of write down of inventories carried at NRV and recognised as Expense.	**1,364.42**	504.25

Valuation of inventories are done as per point no. 7 of significant accounting policies (Note - 1).

For hypothecation details refer Note-21.

NOTE - 10: TRADE RECEIVABLES (At amortised cost)

(₹ in crore)

Particulars		March 31, 2022	March 31, 2021
From Related Parties			
Unsecured, Considered Good		**434.65**	265.19
Credit Impaired		**7.29**	7.03
		441.94	**272.22**
From Others			
Secured Considered Good		**15.43**	21.40
Unsecured, Considered Good		**18,485.27**	11,536.35
Which have significant increase in Credit Risk		**-**	2,399.55
Credit Impaired		**170.14**	164.64
		18,670.84	**14,121.94**
Total		**19,112.78**	**14,394.16**
Less : Allowance for Doubtful Debts	A	**412.36**	612.00
		18,700.42	**13,782.16**
TOTAL		**18,700.42**	**13,782.16**
A. Includes provision as per expected Credit Loss method as per accounting policy		**234.93**	13.22

NOTES TO FINANCIAL STATEMENTS

NOTE - 10: TRADE RECEIVABLES (At amortised cost) (Contd...)

Ageing of Trade Receivables

(₹ in crore)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Current Year								
i) Undisputed Trade Receivables – considered good	80.20	11,108.64	5,505.93	1,384.49	274.12	268.46	38.30	18,660.14
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	0.61	0.17	69.91	70.69
iv) Disputed Trade Receivables – considered good	4.31	4.78	69.54	40.87	67.65	15.11	72.95	275.21
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	0.37	0.19	106.18	106.74
Total	**84.51**	**11,113.42**	**5,575.47**	**1,425.36**	**342.75**	**283.93**	**287.34**	**19,112.78**
Previous Year								
i) Undisputed Trade Receivables – considered good	51.94	7,726.59	2,285.07	584.78	778.23	137.17	42.42	11,606.20
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	541.87	419.45	134.81	1,226.78	38.97	-	2,361.88
iii) Undisputed Trade Receivables – credit impaired	-	-	-	0.01	0.20	2.30	58.64	61.15
iv) Disputed Trade Receivables – considered good	1.18	8.32	39.99	55.56	28.21	14.39	69.08	216.74
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	37.67	-	-	37.67
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	110.52	110.52
Total	**53.12**	**8,276.78**	**2,744.51**	**775.17**	**2,071.09**	**192.83**	**280.66**	**14,394.16**

NOTE - 11: CASH AND CASH EQUIVALENTS

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Bank Balances with Scheduled Banks :		
In Current Account	**1,141.76**	545.76
In Fixed Deposit - Maturity within 3 months	**4.85**	34.40
	1,146.61	**580.16**
Bank Balances with Non-Scheduled Banks	**18.01**	189.00
Cheques, Drafts in hand	**11.46**	11.54
Cash in Hand, Including Imprest	**0.51**	0.49
TOTAL	**1,176.59**	**781.19**

NOTES TO FINANCIAL STATEMENTS

NOTE - 12: BANK BALANCES OTHER THAN ABOVE

(₹ in crore)

Particulars		March 31, 2022	March 31, 2021
Fixed Deposits	A	**488.57**	348.09
Earmarked Balances	B	**153.63**	1,344.67
Blocked Account	C	**0.74**	0.72
Other Bank Balances	D	**0.61**	0.01
TOTAL		**643.55**	**1,693.49**
A) Includes Fixed Deposits earmarked in favour of Statutory Authorities.		**13.09**	12.91
B) Pertains to			
- Unpaid Dividend		**50.33**	44.78
- Fractional Share Warrants		**0.03**	0.02
- Amount received from PM CARES Fund for procurement of Liquid Oxygen Equipments		**103.27**	
- Interim Dividend Declared but not Disbursed (including TDS)		**-**	1,299.87
C) There exists restrictions on banking transactions in Libya due to political unrest.			
D) There exists restrictions on repatriation/ utilisation of these balances.			

NOTE - 13: ASSETS HELD FOR SALE

(₹ in crore)

Particulars	Note	March 31, 2022	March 31, 2021
Freehold land	A	**0.64**	1.56
Building		**0.07**	0.17
Plant and Equipment		**98.80**	190.90
Office Equipment		**0.19**	0.23
Transport Equipment		**-**	0.02
Furniture and Fixtures		**0.01**	0.02
Total		**99.71**	**192.90**
Disposal Group: Cauvery Basin Refinery, Nagapattinam	B		
Freehold land		**4.96**	-
Building		**12.97**	-
Plant and Equipment		**52.00**	-
Office Equipment		**0.05**	-
Others		**618.46**	
Total		**688.44**	**-**
Investment in Equity Shares	C	**0.10**	-
Total Asset held for sale		**788.25**	**192.90**
Total Liability directly associated with Asset held for sale		**25.06**	**-**

A. The Group has surplus land at various locations such as LPG Plant , Depots and RO's etc. which is under the process of disposal. The management intends to sell the land. No impairment was recognised on reclassification of land as held for sale as the Group expects that the fair value (estimated based on the recent market prices of similar properties in similar locations) less costs to sell is higher than the carrying amount.

B. A new Joint venture is proposed to be formed between IOCL (Parent Company) and CPCL (Subsidiary) with combined equity holding of 50% and balance to be retained by strategic / public investors for construction of new 9 MMTPA refinery at Cauvery Basin Nagapattinam. During the year, NITI Aayog has given approval for formation of Joint Venture. and accordingly, the land and other facilities held by the Group at Narimanam Marketing Terminal which are intended to be transferred to the new Joint Venture are classified under Disposal group.

NOTES TO FINANCIAL STATEMENTS

NOTE - 13: ASSETS HELD FOR SALE (Contd...)

C. During the year the Group has reclassified investment in 101095 Equity shares in Woodlands Multispeciality Hospital Limited with carrying value of **₹ 0.10 crore** (2021: ₹ 0.10 crore) as Asset held for sale.

During the year the Group has reclassified Assets Held for sale amounting to **₹ 72.99 crore** (2021: ₹ 0.09 crore) as Property, Plant and Equipment/ Other Assets based on the plan for disposal of assets.

During the year, the Group has recognized impairment loss of **₹ 17.88 crore** (2021: ₹ 30.00 crore) on write-down of asset to fair value less costs to sell and the same has been shown in Provision/loss on Other Assets sold or written off under 'Other Expenses' in the Statement of Profit and Loss.

NOTE - 14 : EQUITY SHARE CAPITAL

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Authorized:		
15,00,00,00,000 Equity Shares of ₹ 10 each	**15,000.00**	**15,000.00**
Issued Subscribed and Paid Up:		
9,41,41,58,922 (2021: 9,41,41,58,922)	**9,414.16**	9,414.16
Equity Shares of ₹ 10 each fully paid up		
Less: Equity Shares held under IOC Shares Trust	**233.12**	233.12
23,31,18,456 (2021: 23,31,18,456)		
Equity Shares of ₹ 10 each fully paid up		
TOTAL	**9,181.04**	**9,181.04**

A. Reconciliation of No. of Equity Shares

Opening Balance	**9,41,41,58,922**	9,41,41,58,922
Closing Balance	**9,41,41,58,922**	9,41,41,58,922

B. Terms/Rights attached to Equity Shares

The Holding Company has only one class of equity shares having par value of ₹ 10 each and is entitled to one vote per share. In the event of liquidation of the corporation, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

IOC Shares Trust (Shareholder) has waived its right to receive the dividend w.e.f. 02.03.2020.

C. Details of shareholders holdings more than 5% shares

Name of Shareholder	March 31, 2022		March 31, 2021	
	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
THE PRESIDENT OF INDIA	**4,84,81,33,178**	**51.50**	4,84,81,33,178	51.50
OIL AND NATURAL GAS CORPORATION LIMITED	**1,33,72,15,256**	**14.20**	1,33,72,15,256	14.20
LIFE INSURANCE CORPORATION OF INDIA	**74,92,64,496**	**7.96**	72,26,80,547	7.68
OIL INDIA LIMITED	**48,55,90,496**	**5.16**	48,55,90,496	5.16

NOTES TO FINANCIAL STATEMENTS

NOTE - 14 : EQUITY SHARE CAPITAL (Contd...)

D. For the period of preceding five years as on the Balance Sheet date, the:

(a) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	Nil
(b) Aggregate number of shares allotted as fully paid up by way of bonus shares - During FY 2017-18 (March 2018) in ratio of 1:1	4,85,59,04,964
(c) Aggregate number and class of shares bought back - During FY 2018-19 (February 2019)	29,76,51,006

E. Details regarding shareholding of Promoters as at March 31, 2022

Name of Shareholder / Promoter Name	At the beginning of the year		At the end of the year		% Change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
THE PRESIDENT OF INDIA	**4,84,81,33,178**	**51.50**	**4,84,81,33,178**	**51.50**	-

NOTE - 15: OTHER EQUITY

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Retained Earnings		
General Reserve:		
Opening Balance	**86,292.79**	74,381.17
Add: Remeasurement of Defined Benefit Plans	**(564.84)**	13.98
Add : Transfer from Bond Redemption Reserve	**1,370.85**	-
Add : Transfer from Export profit Reserve	**-**	53.72
Add: Other Adjustment in JVs/Adj in Opening Balance	**(1.24)**	(1.08)
Add: Appropriation from Surplus	**14,135.67**	11,845.00
	1,01,233.23	**86,292.79**
Surplus (Balance in Statement of Profit and Loss):		
Opening Balance	**1,713.18**	1,599.93
Profit for the Year	**25,102.23**	21,638.21
Add: Opening Balance Adjustment	**5.83**	(28.20)
Less: Appropriations		
Interim Dividend	**8,263.41**	9,640.47
Final Dividend	**1,377.39**	-
Insurance Reserve (Net)	**19.28**	11.05
Corporate Social Responsibility Reserve (Net)	**(0.57)**	0.24
Share of JV Sold	**(24.93)**	-
General Reserve	**14,135.67**	11,845.00
Balance carried forward to next year	**3,050.99**	1,713.18
	1,04,284.22	**88,005.97**
Other Reserves:		
Bond Redemption Reserve		
Opening Balance	**3,171.39**	3,171.39
Less: Transfer to General Reserve	**1,370.85**	-
	1,800.54	3,171.39
Capital Redemption Reserve Account	**298.06**	298.06

NOTES TO FINANCIAL STATEMENTS

NOTE - 15: OTHER EQUITY (Contd..)

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Capital Reserve		
Opening Balance	**432.51**	434.10
Add: On Consolidation	**(4.04)**	(1.59)
	428.47	**432.51**
Securities Premium		
Opening Balance	**76.74**	76.74
	76.74	**76.74**
Insurance Reserve		
Opening Balance	**272.14**	261.09
Less : Recoupment of uninsured fire loss	**0.72**	8.95
Add: Appropriation from Surplus	**20.00**	20.00
	291.42	**272.14**
Export Profit Reserve :		
Opening Balance	**-**	53.72
Less: Transfer To General Reserve	**-**	53.72
	-	**-**
Corporate Social Responsibility Reserve		
Opening Balance	**1.10**	0.86
Add: Appropriation from Surplus	**(0.47)**	2.43
Less: Utilized during the year	**0.10**	2.19
	0.53	**1.10**
Fair Value Through Other Comprehensive Income :		
Fair value of Equity Instruments		
Opening Balance	**9,815.71**	5,416.88
Add: Fair value during the year	**6,741.66**	4,398.83
	16,557.37	**9,815.71**
Fair value of Debt Instruments		
Opening Balance	**470.30**	391.67
Add: Fair value during the year	**(125.02)**	80.91
Less: Transferred to statement of profit and loss	**-**	2.28
	345.28	**470.30**
Cash Flow Hedge Reserve		
Opening Balance	**16.80**	46.00
Add: Fair value during the year	**27.33**	16.81
Less: Transferred during the year	**16.81**	46.01
	27.32	**16.80**
Translation Reserve on Consolidation		
Opening Balance	**96.29**	85.26
Add : Translation difference	**147.90**	11.03
	244.19	**96.29**
TOTAL	**1,24,354.14**	**1,02,657.01**

NOTES TO FINANCIAL STATEMENTS

NOTE - 15: OTHER EQUITY (Contd..)

Nature and Purpose of Reserves

A. Retained Earnings

The retained earnings comprises of general reserve and surplus which is used from time to time to transfer profits by appropriations. Retained earnings is free reserve of the Company and is used for the purposes like issuing bonus shares, buy back of shares and other purposes (like declaring Dividend etc.) as per the approval of Board of Directors. It includes the re-measurement of defined benefit plan as per actuarial valuations which will not be re-classified to statement of profit and loss in subsequent periods.

B. Bond Redemption Reserve

As per the Companies Act 2013, a Bond Redemption Reserve is required to be created for all bonds/ debentures issued by the company at a specified percentage. This reserve is created out of appropriation of profits and is transferred back to general reserve on repayment of bonds for which it is created. In 2019, this requirement was dispensed with in case of public issue/ private placement of debentures by listed companies to NBFCs, Housing Finance Companies and other listed companies.

C. Capital Redemption Reserve

As per the Companies Act 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. Utilization of this reserve is governed by the provisions of the Companies Act 2013.

D. Capital Reserve

Capital Reserve was created through business combinations and shall be utilised as per the provisions of the Companies Act 2013.

E. Securities Premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

F. Insurance Reserve

Insurance Reserve is created by the company with the approval of Board of Directors to mitigate risk of loss of assets not insured with external insurance agencies. ₹ 20.00 crore is appropriated by the company every year to this reserve. The reserve is utilised to mitigate actual losses by way of net appropriation in case any uninsured loss is incurred. Amount of **₹ 0.72 crore** (2021: ₹ 8.95 crore) has been utilised for recoupment of uninsured losses.

G. Export Profit Reserve

Amount set aside out of profit from exports for availing income tax benefits u/s 80HHC of the Income tax Act' 1961 for the Assessment Year 1986-87 to 1988-89. Creation of reserve for claiming deduction u/s 80HHC was dispensed from AY 1989-90 onwards. In view of settlement of tax dispute with respect to claim under section 80HHC, Export Profit Reserve created in earlier years was no longer required and therefore the balance lying was transferred to General Reserve in FY 2020-21.

H. Corporate Social Responsibility Reserve

Corporate Social Responsibility (CSR) Reserve is created for meeting expenses relating to CSR activities in line with CSR policy of respective group of companies.

I. Fair value of Equity Instruments

This reserve represents the cumulative effect of fair value fluctuations of investments made by the company in equity instruments of other entities. The cumulative gain or loss arising on such changes are recognised through Other Comprehensive Income (OCI) and accumulated under this reserve. This will not be re-classified to the statement of profit and loss in subsequent periods.

J. Fair value of Debt Instruments

This reserve represents the cumulative effect of fair value fluctuations in debt investments made by the company to earn contractual cash flows and are available for sale. The cumulative gain or loss arising on such changes are recognised through Other Comprehensive Income (OCI) and accumulated under this reserve. This amount will be re-classified to the statement of profit and loss in subsequent periods on disposal of respective instruments.

NOTES TO FINANCIAL STATEMENTS

NOTE - 15: OTHER EQUITY (Contd..)

K. Cash Flow Hedge Reserve

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on such changes are recognised through Other Comprehensive Income (OCI) and accumulated under this reserve. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged item occurs/ affects the statement of profit and loss.

L. Translation Reserve on Consolidation

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised thru Other Comprehensive Income (OCI) and is presented within equity in the foreign currency translation reserve.

NOTE - 16: LONG TERM BORROWINGS (At amortised cost)

(₹ in crore)

Particulars		Non Current		Current Maturities*	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
SECURED LOANS					
Term Loans:					
From Oil Industry Development Board (OIDB)	A	**306.55**	975.47	**137.50**	125.00
		306.55	975.47	**137.50**	125.00
Other Loans:					
From Banks					
In Foreign Currency Loans	B	**-**	-	**-**	365.79
Total Secured Loans		**306.55**	**975.47**	**137.50**	**490.79**
UNSECURED LOANS					
Bonds/ Debentures:					
Foreign Currency Bonds	C	**8,232.81**	12,402.76	**4,772.86**	3,853.59
Rupee Bonds/ Debentures	D	**14,408.49**	15,908.35	**3,385.92**	378.81
		22,641.30	**28,311.11**	**8,158.78**	**4,232.40**
Debentures:					
Non-Convertible Debentures	E	**1,585.00**	1,955.00	**1,217.12**	39.35
		1,585.00	**1,955.00**	**1,217.12**	**39.35**
Term Loans:					
From Banks/ Financial Institutions					
In Foreign Currency Loans	F	**24,290.62**	20,652.09	**4,558.46**	1,896.50
In Rupees	G	**5,500.00**	1,500.00	**18.77**	2.22
From Government					
In Rupees	H	**1,621.07**	1,291.34	**-**	-
		31,411.69	**23,443.43**	**4,577.23**	**1,898.72**
Total Unsecured Loans		**55,637.99**	**53,709.54**	**13,953.13**	**6,170.47**
TOTAL LONG-TERM BORROWINGS		**55,944.54**	**54,685.01**	**14,090.63**	**6,661.26**

* Current maturities are carried to Note - 21: Borrowings - Current

NOTES TO FINANCIAL STATEMENTS

NOTE - 16: LONG TERM BORROWINGS (At amortised cost) (Contd..)

Secured Loans:

A. Term Loan from OIDB

Sl. No.	Particulars	Availed Date	Rate of Interest	Date of Repayment	Security Details
1	Term Loan from Oil Industry Development Board - ₹ 50 crore	18th March 2019	Floating rate based on month end (semi-annualised) interest rates for 5 years G-Sec as per FIMMDA plus 50% of margins of AAA rated Bonds over G-Sec as quoted in INCORP (qoute AAA INBMK) reset on a quaterly basis.	The loan will be for a period of 5 years with 1 year moratorium and repayable in 4 equal installments. Interest payable on Quaterly basis	First Mortgage and charge on Immovable properties, both present and future and First Charge by way of Hypothecation on Movables including movable machinery, machinery spares, tools and accessories, present and future, pertaining to RLNG project
2	Term Loan from Oil Industry Development Board - ₹ 50 crore	17th May 2019		The loan will be for a period of 5 years with 1 year moratorium and repayable in 4 equal installments. Interest payable on Quaterly basis	First Mortgage and charge on Immovable properties, both present and future and First Charge by way of Hypothecation on Movables including movable machinery, machinery spares, tools and accessories, present and future, pertaining to RLNG project
3	Term Loan from Oil Industry Development Board - ₹ 150 crore	30th October 2019		The loan will be for a period of 5 years with 1 year moratorium and repayable in 4 equal installments. Interest payable on Quaterly basis	First Mortgage and charge on Immovable properties, both present and future and First Charge by way of Hypothecation on Movables including movable machinery, machinery spares, tools and accessories, present and future, pertaining to BS-VI project
4	Term Loan from Oil Industry Development Board - ₹ 100 crore	31st March 2020	6.16%	The loan will be for a period of 5 years with 1 year moratorium and repayable in 4 equal installments. Interest payable on Quaterly basis	First Mortgage and charge on Immovable properties, both present and future and First Charge by way of Hypothecation on Movables including movable machinery, machinery spares, tools and accessories, present and future, pertaining to BS-VI project
5	Term Loan from Oil Industry Development Board - ₹ 100 crore	30th June 2020	5.68%	The loan will be for a period of 5 years with 1 year moratorium and repayable in 4 equal installments. Interest payable on Quaterly basis	First Mortgage and charge on Immovable properties, both present and future and First Charge by way of Hypothecation on Movables including movable machinery, machinery spares, tools and accessories, present and future, pertaining to BS-VI project
6	Term Loan from Oil Industry Development Board - ₹ 100 crore	26th March 2021	Floating rate based on month end (semi-annualised) interest rates for 5 years G-Sec as per FIMMDA plus 50% of margins of AAA rated Bonds over G-Sec as quoted in INCORP (qoute AAA INBMK) reset on a quaterly basis.	The loan will be for a period of 5 years with 1 year moratorium and repayable in 4 equal installments. Interest payable on Quaterly basis	First Mortgage and charge on Immovable properties, both present and future and First Charge by way of Hypothecation on Movables including movable machinery, machinery spares, tools and accessories, present and future, pertaining to BS-VI project

NOTES TO FINANCIAL STATEMENTS

NOTE - 16: LONG TERM BORROWINGS (At amortised cost) (Contd..)

B. Foreign Currency Loans

Sl. No.	Particulars	Availed Date	Rate of Interest	Date of Repayment	Security Details
1	Foreign Currency Term Loan from South Indian Bank -USD 50 Mn	13th December 2018	1) 6 Months LIBOR + 125 Bps for first 6 months, 2) 6 Months LIBOR + 175 Bps for next 30 months 3) Reset at half yearly intervels 4) Interest payable on monthly basis	Principal repayable at the end of 3 years from date of availment. Interest payable monthly. Fully repaid on 10th December 2021.	Pari passu first charge on entire fixed assets of the Company (excluding Land and building & assets pertaining to BS VI project and R-LNG projects) with a minimum Fixed Asset Coverage Ratio of 1.50 times and second pari passu charge on movable assets of BS VI project and R-LNG project.

Unsecured Loans:

C. Repayment Schedule of Foreign Currency Bonds

Sl. No.	Particulars	Date of Issue	Date of Repayment
1	USD 900 Million Reg S Bonds	Wednesday, 16 January 2019	Payable immediately after 5 years from the date of issue. Out of USD 900 million, USD 313.042 million has been bought back and payment made on 22 April 2022.
2	USD 500 million Reg S Bonds	Thursday, 1 August 2013	Payable immediately after 10 years from the date of issue
3	SGD 400 million Reg S Bonds	Monday, 15 October 2012	On the same day, Cross Currency Swap amounting to USD 325.57 million entered. Payable immediately after 10 years from the date of issue.

D. Repayment Schedule of Rupee Bonds/ Debentures

Sl. No.	Particulars	Date of Allotment	Coupon Rate	Date of Redemption
1	Indian Oil 2029 (Series XIV) 30000 debenture of Face Value ₹ 10,00,000 each	Tuesday, 22 October 2019	7.41% p.a. payable annually on 22 October	10 years from the deemed date of allotment i.e. 22 October 2029.
2	Indian Oil 2023 (Series XV) 20000 debenture of Face Value ₹ 10,00,000 each	Tuesday, 14 January 2020	6.44% p.a. payable annually on 14 January	3 years and 3 months from the deemed date of allotment i.e. April 14,2023.
3	Indian Oil 2025 (Series XVI) 29950 debenture of Face Value ₹ 10,00,000 each	Friday, 6 March 2020	6.39% p.a. payable annually on 6 March	5 years from the deemed date of allotment i.e. 6 March 2025.

NOTES TO FINANCIAL STATEMENTS

NOTE - 16: LONG TERM BORROWINGS (At amortised cost) (Contd..)

Sl. No.	Particulars	Date of Allotment	Coupon Rate	Date of Redemption
4	Indian Oil 2022 (Series XVII) 30000 debenture of Face Value ₹ 10,00,000 each	Wednesday, 27 May 2020	5.05% p.a. payable annually on 27 May	2 years and 6 months from the deemed date of allotment i.e. 25 November 2022.
5	Indian Oil 2025 (Series XVIII) 16250 debenture of Face Value ₹ 10,00,000 each	Monday, 3 August 2020	5.40% p.a. payable annually on 03 August	4 years 8 months and 8 days from the deemed date of allotment i.e. 11 April 2025.
6	Indian Oil 2025 (Series XIX) 20000 debenture of Face Value ₹ 10,00,000 each	Tuesday, 20 October 2020	5.50% p.a. payable annually on 20 October	5 years from the deemed date of allotment i.e. 20 October 2025.
7	Indian Oil 2026 (Series XX) 12902 debenture of Face Value ₹ 10,00,000 each	Monday, 25 January 2021	5.60% p.a. payable annually on 25 January	4 years 11 months and 29 days from the deemed date of allotment i.e. 23 January 2026.
8	Indian Oil-2027 (Series XXI) 15000 debenture of Face Value ₹ 10,00,000 each	Friday, 18 February 2022	6.14% p.a. payable annually on 18 February	5 years from the deemed date of allotment i.e. 18 February 2027

E. Repayment Schedule of Non-Convertible Debentures

Sl. No.	Particulars	Availed Date	Rate of Interest	Date of Redemption
1	Unsecured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series -I-2021	17th July 2020	5.78%	Principal repayable at the end of 5 years from date of availment. Interest payable Annually
2	Unsecured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series -II-2022	23rd June 2021	5.44%	Principal repayable at the end of 3 years from date of availment. Interest payable Annually
3	Unsecured Redeemable Non-Convertible Debentures of ₹ 10 Lakhs each redeemable at par - Series -I-2020	28th February 2020	6.43%	Principal repayable at the end of 3 years from date of availment. Interest payable Annually

F. Repayment Schedule of Term loans from Banks/ Financial Institutions in Foreign Currency

Sl. No.	Particulars of Loans	Date of drawal	Date of Repayment
1	USD 300 Million Syndication loan	Friday, 29 September 2017	Payable immediately after 5 years from the date of drawal
2	USD 300 Million Term Loan	Wednesday, 19 June 2019	Payable immediately after 3 years from the date of drawal
3	USD 100 Million Term Loan	Friday, 12 March 2021	Payable immediately after 3 years and 3 months from the date of drawal
4	USD 100 Million Term Loan - SBI	Wednesday, 7 April 2021	Payable immediately after 5 years from the date of drawal
5	USD 100 Million Term Loan - SBI - GS	Friday, 14 May 2021	
6	USD 500 Million Syndication loan	Friday, 30 July 2021	

NOTES TO FINANCIAL STATEMENTS

NOTE - 16: LONG TERM BORROWINGS (At amortised cost) (Contd..)

Sl. No.	Particulars of Loans	Date of drawal	Date of Repayment
7	USD 125 Million Term Loan from BOB	Wednesday, 3 November 2021	Payable immediately after 5 years from the date of drawal
8	USD 125 Million Term Loan from BOB	Wednesday, 1 December 2021	
9	USD 330 Million ECB Loan from SBI London	Thursday, 30 December 2021	Payable immediately after 3 years from the date of drawal
10	USD 300 Million ECB Loan from SBI London	Thursday, 30 December 2021	Payable immediately after 4 years from the date of drawal
11	USD 250 Million ECB Loan from SBI London	Thursday, 30 December 2021	Payable immediately after 5 years from the date of drawal
12	USD 220 Million ECB Loan from SBI London	Thursday, 30 December 2021	Payable immediately after 5 years and 5 months from the date of drawal
13	USD 225 Million Syndication Loan from BOB NY	Wednesday, 30 March 2022	Payable immediately after 1 year and 9 months from the date of drawal
14	USD 50 Million Syndication Loan from BOB NY	Wednesday, 30 March 2022	
15	USD 25 Million Syndication Loan from BOB NY	Wednesday, 30 March 2022	Payable immediately after 1 year and 11 months from the date of drawal
16	USD 300 Million Syndication Loan from BOB NY	Wednesday, 30 March 2022	Payable immediately after 2 years and 6 months from the date of drawal

G. Repayment Schedule of Term loans from Banks/ Financial Institutions in Rupees

Sl. No.	Particulars of Loans	Date of drawal	Date of Repayment
1	HDFC ₹ 1,500 crore Term Loan	Saturday, 20 March 2021	Payable immediately after 3 years from the date of drawal
2	HDFC ₹ 500 crore Term Loan	Wednesday, 30 June 2021	
3	HDFC ₹ 500 crore Term Loan	Thursday, 22 July 2021	
4	HDFC ₹ 250 crore Term Loan	Thursday, 30 September 2021	
5	PNB ₹ 250 crore Term Loan	Thursday, 30 September 2021	Payable immediately after 35 months from drawal
6	PNB ₹ 750 crore Term Loan	Saturday, 6 November 2021	
7	HDFC ₹ 1,250 crore Term Loan	Friday, 31 December 2021	Payable immediately after 3 years from the date of drawal
8	HDFC ₹ 500 crore Term Loan	Thursday, 31 March 2022	

NOTES TO FINANCIAL STATEMENTS

NOTE - 16: LONG TERM BORROWINGS (At amortised cost) (Contd..)

H. Repayment Schedule of Unsecured Interest Free Loans from Govt of Odisha

Interest free loan given by Odisha government for 15 years is disbursed in quarterly instalment of ₹ 175 crore starting from 1 April 2016 repayble after 15 years. Total loan disbursed till now is ₹ 4,200 crore which is repayable after 15 years from the quarter for which the same is given i.e. in quarterly instalments starting from last week of June 2031 onwards. This loan being interest free loan is accounted at fair value and accordingly accounting for government grant is done.

NOTE - 17: OTHER FINANCIAL LIABILITIES (At Amortised Cost unless otherwise stated)

(₹ in crore)

Particulars	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Interest accrued but not due on borrowings	-	-	**5.94**	4.04
Liability for Capital Expenditure	-	-	**7,560.87**	6,273.32
Liability to Trusts and Other Funds	-	-	**192.28**	161.21
Employee Liabilities	-	-	**3,197.09**	2,591.55
Investor Education & Protection Fund to be credited on the due dates:				
- Unpaid Dividend	-	-	**50.33**	44.78
- Unpaid Matured Deposits	-	-	**0.01**	0.01
	-	-	**50.34**	**44.79**
Derivative Instruments at Fair Value	-	-	**307.81**	252.65
Security Deposits	**874.25**	847.48	**31,163.40**	29,674.56
Liability for Dividend	-	-	-	1,260.79
Others A	**39.54**	-	**1,547.06**	1,859.10
TOTAL	**913.79**	**847.48**	**44,024.79**	**42,122.01**

A. The above includes liability towards Renewable Purchase Obligation amounting to ₹ 179.74 Crore (2021: ₹ 52.40 Crore), which is after adjustment of ₹ 471.77 Crore (2021: ₹ 248.20 Crore) towards Co-generation.

NOTE - 18: PROVISIONS

(₹ in crore)

Particulars	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Provision for Employee Benefits	**1,011.92**	1,046.73	**140.21**	227.37
Decommissioning Liability A	**574.67**	550.10	**3.58**	4.02
Contingencies for probable obligations B	-	-	**11,935.18**	10,949.06
Less: Deposits	-	-	**2,330.38**	1,750.09
	-	-	**9,604.80**	9,198.97
TOTAL	**1,586.59**	1,596.83	**9,748.59**	9,430.36

NOTES TO FINANCIAL STATEMENTS

NOTE - 18: PROVISIONS (Contd..)

A. In compliance of Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under :

(₹ in crore)

Particulars	Opening Balance	Addition during the year	Utilization during the year	Reversals during the year**	Unwinding of discount and changes in the discount rate	Closing Balance
Decommissioning Liability - E&P Blocks	554.12	9.35	-	(3.92)	10.86	578.25
Previous Year Total	584.68	13.29	-	8.01	(35.84)	554.12

B. In compliance of Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under :

(₹ in crore)

Particulars	Opening Balance	Addition during the year	Utilisation during the year	Reversals during the year**	Closing Balance*
Excise	15.50	-	-	-	15.50
Sales Tax / GST	1,979.41	335.69	-	44.88	2,270.22
Entry Tax	5,611.76	-	-	-	5,611.76
Others	3,342.39	763.86	5.68	62.87	4,037.70
TOTAL	**10,949.06**	**1,099.55**	**5.68**	**107.75**	**11,935.18**
Previous Year Total	10,834.98	785.91	434.37	237.46	10,949.06

(₹ in crore)

	Addition includes	Reversal includes
- capitalized	2.51	-
- included in Raw Material	3.06	-
- included in Finance Cost	379.43	0.84
- included in Employee Benefit Expenses	250.39	-
- included in Other Expenses	161.93	14.77
- Amount transferred from Liabilities to Provisions	67.37	-

* Expected timing of outflow is not ascertainable at this stage, the matters being under dispute/ contingent.

** Includes Gain on account of transalation amounting to **₹ 20.91 crore** (2021: Loss of ₹ 0.03 crore)

NOTES TO FINANCIAL STATEMENTS

NOTE - 19: DEFERRED TAX LIABILITIES (NET)

(i) In compliance of Ind AS – 12 on "Income Taxes", the item wise details of Deferred Tax Liability (net) are as under:

(₹ in crore)

Particulars	As on 01.04.2021	Provided during the year in Statement of Profit and Loss *	Provided during the year in OCI (net)	Balance as on 31.03.2022
Deferred Tax Liability:				
Related to Fixed Assets	18,485.00	1,015.41	-	**19,500.41**
Others	147.32	(4.55)	-	**142.77**
Total Deferred Tax Liability (A)	**18,632.32**	**1,010.86**	**-**	**19,643.18**
Deferred Tax Assets:				
Provision on Inventories, Debtors, Loans and Advance, Investments	1,298.40	(8.41)	-	**1,289.99**
Compensation for Voluntary Retirement Scheme	1.01	0.23	-	**1.24**
43B/40 (a)(ia)/other Disallowances etc.	2,794.26	119.75	-	**2,914.01**
Carry Forward Business Losses/ Unabsorbed Depreciation	653.13	(489.13)	-	**164.00**
Remeasurement of defined benefit plan	12.37	(10.49)	(7.59)	**(5.71)**
Fair valuation of Equity instruments	(126.76)	-	(65.23)	**(191.99)**
MTM on Hedging Instruments	(5.66)	-	(3.53)	**(9.19)**
Fair value of debt instruments	(160.67)	-	42.10	**(118.57)**
Others	201.77	43.26	-	**245.03**
Total Deferred Tax Assets (B)	**4,667.85**	**(344.79)**	**(34.25)**	**4,288.81**
Deferred Tax Liability (net) (A-B)	**13,964.47**	**1,355.65**	**34.25**	**15,354.37**

* Includes translation reserve of ₹ 28.29 crore due to translation of Opening Balance at Closing Exchange Rate.

(₹ in crore)

Particulars	As on 01.04.2020	Provided during the year in Statement of Profit and Loss *	Provided during the year in OCI (net)	Balance as on 31.03.2021
Deferred Tax Liability:				
Related to Fixed Assets	18,731.32	(246.32)	-	18,485.00
Others	238.78	(91.46)	-	147.32
Total Deferred Tax Liability (A)	**18,970.10**	**(337.78)**	**-**	**18,632.32**
Deferred Tax Assets:				
Provision on Inventories, Debtors, Loans and Advance, Investments	860.36	438.04	-	1,298.40
Compensation for Voluntary Retirement Scheme	3.50	(2.49)	-	1.01
43B/40 (a)(ia)/other Disallowances etc.	2,654.02	140.26	(0.02)	2,794.26
Carry Forward Business Losses/ Unabsorbed Depreciation	3,297.67	(2,644.54)	-	653.13
Remeasurement of defined benefit plan	20.44	(10.05)	1.98	12.37
Fair valuation of Equity instruments	72.36	-	(199.12)	(126.76)

NOTES TO FINANCIAL STATEMENTS

NOTE - 19: DEFERRED TAX LIABILITIES (NET) (Contd..)

(₹ in crore)

Particulars	As on 01.04.2020	Provided during the year in Statement of Profit and Loss *	Provided during the year in OCI (net)	Balance as on 31.03.2021
MTM on Hedging Instruments	(15.48)	-	9.82	(5.66)
Fair value of debt instruments	(145.11)	-	(15.56)	(160.67)
Others	183.06	18.71	-	201.77
Total Deferred Tax Assets (B)	**6,930.82**	**(2,060.07)**	**(202.90)**	**4,667.85**
MAT Credit Entitlement (C) #	**599.99**	**(599.99)**	**-**	**-**
Deferred Tax Liability net of MAT Credit (A-B-C)	**11,439.29**	**2,322.28**	**202.90**	**13,964.47**

Note: During FY 2020-21, on account of change in the tax liabilities pertaining to the past periods, MAT credit amounting to ₹ 228.15 crore out of previously written off MAT balance was recognised and utilized against such increased tax liability.

Includes ₹ 599.99 crore towards MAT credit written off by Chennai Petroleum Corporation Limited upon movement to new Tax Regime.

* Includes translation reserve of ₹ (25.91) crore due to translation of Opening Balance at Closing Exchange Rate.

(ii) Reconciliation between the average effective tax rate and the applicable tax rate is as below :

	2021-22		2020-21	
	%	(₹ in crore)	%	(₹ in crore)
Profit Before Tax		**34,288.62**		**30,750.73**
Tax as per applicable Tax Rate	**25.168**	**8,629.76**	**25.168**	**7,739.34**
Tax effect of:				
Income that are not taxable in determining taxable profit	**(1.773)**	**(607.89)**	(1.348)	(414.45)
Expenses that are not deductible in determining taxable profit	**0.430**	**147.61**	0.626	192.47
Recognition of previously unrecognised allowance/ disallowances	**(0.058)**	**(19.83)**	(3.078)	(946.38)
Expenses/income related to prior years	**0.228**	**78.34**	5.165	1,588.23
Difference in tax due to income chargeable to tax at special rates	**(0.211)**	**(72.48)**	(0.010)	(2.97)
Share of profit of JVs/ Associates added net of tax in PBT of Group	**0.499**	**170.97**	0.416	128.06
Different or nil tax rates of Group Companies	**(0.065)**	**(22.43)**	(0.046)	(14.20)
Effect of Taxes in foreign jurisdiction	**0.783**	**268.58**	0.087	26.86
Difference due to change in Rate of Tax	**0.005**	**1.55**	2.261	695.22
Others	**(0.035)**	**(12.17)**	(0.012)	(3.67)
Average Effective Tax Rate/ Income Tax Expenses	**24.971**	**8,562.02**	**29.229**	**8,988.51**

NOTES TO FINANCIAL STATEMENTS

NOTE - 20: OTHER LIABILITIES (NON FINANCIAL)

(₹ in crore)

Particulars	Non Current		Current	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Deferred Income	**2.98**	3.64	**0.72**	0.88
Government Grants (Refer Note 43)	**2,740.35**	2,272.45	**235.59**	202.90
Statutory Liabilities	**-**	-	**11,655.96**	11,374.69
Advances from Customers	**436.76**	306.74	**5,691.88**	4,430.54
Others	**0.50**	0.53	**1,395.46**	1,132.76
TOTAL	**3,180.59**	**2,583.36**	**18,979.61**	**17,141.77**

NOTE - 21: BORROWINGS - CURRENT

(₹ in crore)

Particulars		March 31, 2022	March 31, 2021
SECURED LOANS			
Loans Repayable on Demand			
From Banks/ Financial Institutions			
In Foreign Currency		**1,745.99**	84.61
In Rupee	A		
Working Capital Demand Loan		**8,020.44**	7,825.58
Cash Credit		**-**	113.34
		9,766.43	**8,023.53**
From Others:			
Loans through Clearing Corporation of India Ltd. (CCIL)	B	**4,172.06**	**319.97**
Other Loans	A	**-**	2,011.42
Current maturities of long-term debt (refer note 16)		**137.50**	490.79
Total Secured Loans		**14,075.99**	**10,845.71**
UNSECURED LOANS			
Loans Repayable on Demand			
From Banks/ Financial Institutions			
In Foreign Currency		**13,874.21**	11,355.78
In Rupee		**10,962.05**	9,454.19
		24,836.26	**20,809.97**

NOTE - 21: BORROWINGS - CURRENT (Contd..)

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
From Others		
Commercial Papers	**14,740.18**	16,415.12
Current maturities of long-term debt (refer note 16)	**13,953.13**	6,170.47
Total Unsecured Loans	**53,529.57**	**43,395.56**
TOTAL SHORT-TERM BORROWINGS	**67,605.56**	**54,241.27**

A. Against hypothecation by way of first pari passu charge on Raw Materials, Finished Goods, Stock-in Trade, Trade Receivables, Outstanding monies, Receivables, Claims, Contracts, Engagements to SBI and HDFC Banks. The quarterly returns of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.

B. Against pledging of the following to CCIL:

Government Securities including OMC GOI Special Bonds (Refer Note 4)	**6,014.93**	2,655.00
Bank Guarantees	**1,650.00**	1,650.00

NOTE - 22: TRADE PAYABLES

(At amortised cost)

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Dues to Micro and Small Enterprises	**806.63**	556.39
Dues to Related Parties	**852.63**	911.33
Dues to Others	**47,386.65**	35,496.35
TOTAL	**49,045.91**	**36,964.07**

Ageing of Trade Payables

(₹ in crore)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Current Year							
i) MSME*	251.20	368.95	185.36	0.01	-	-	805.52
ii) Others	1,995.15	41,436.69	4,204.31	12.93	11.82	21.20	47,682.10
iii) Disputed Dues – MSME*	-	1.11	-	-	-	-	1.11
iv) Disputed Dues – Others	220.78	123.38	52.05	22.36	0.18	138.43	557.18
Total	**2,467.13**	**41,930.13**	**4,441.72**	**35.30**	**12.00**	**159.63**	**49,045.91**
Previous Year							
i) MSME*	131.10	181.07	243.49	0.01	-	-	555.67
ii) Others	2,431.75	30,687.65	2,706.56	57.49	13.11	29.67	35,926.23
iii) Disputed Dues – MSME*	-	0.72	-	-	-	-	0.72
iv) Disputed Dues – Others	179.41	55.41	96.17	10.73	14.55	125.18	481.45
Total	**2,742.26**	**30,924.85**	**3,046.22**	**68.23**	**27.66**	**154.85**	**36,964.07**

*Micro and Small Enterprises in line with Note -22: Trade Payables

Note: Generally, undisputed Trade Payables are settled on or before the due dates and amount outstanding beyond due dates are on account of pending compliance of Contractual/ Statutory requirement by Vendors.

NOTES TO FINANCIAL STATEMENTS

NOTE - 23: REVENUE FROM OPERATIONS

(₹ in crore)

Particulars		2021-2022	2020-2021
Sale of Products and Crude	A	**7,45,733.49**	5,26,243.75
Less: Discounts		**13,609.74**	10,391.02
Sales (Net of Discounts)		**7,32,123.75**	5,15,852.73
Sale of Services		**289.46**	279.87
Other Operating Revenues (Note "23.1")		**3,851.52**	3,137.15
		7,36,264.73	**5,19,269.75**
Net Claim/(Surrender) of SSC and other claims		**305.46**	891.49
Subsidy From Central/State Government		**160.65**	75.60
TOTAL		**7,36,730.84**	**5,20,236.84**

A. The MoPNG, vide letter dated 30.04.2020 had conveyed to Oil Marketing Companies (OMCs) that a) In case, the Market Determined Price (MDP) is higher than the Effective Cost to Customer (ECC), the difference shall be transferred to consumers account via Direct Benefit Transfer of LPG (DBTL) Scheme and b) In case, where MDP is less the ECC, the OMCs will retain the difference in a separate buffer account for future adjustment. However, as on March 31, 2022, the company had a negative buffer of ₹ 5048.09 Crore (after adjustment of uncompensated cost of ₹ 1893.22 Crore) as the retail selling price was less than MDP and accordingly the revenue from sale of LPG was reduced by this amount.

NOTE - 23.1: OTHER OPERATING REVENUES

(₹ in crore)

Particulars	2021-2022	2020-2021
Sale of Power and Water	**464.21**	255.68
Revenue from Construction Contracts	**7.49**	3.91
Unclaimed / Unspent liabilities written back	**130.23**	371.90
Provision for Doubtful Advances, Claims, and Stores written back	**340.28**	10.51
Provision for Contingencies written back	**92.14**	227.65
Recoveries from Employees	**16.11**	14.79
Retail Outlet License Fees	**1,070.70**	999.52
Income from Non Fuel Business	**237.58**	136.16
Commission and Discount Received	**1.19**	1.22
Sale of Scrap	**418.96**	258.56
Income from Finance Leases	**0.28**	0.13
Amortization of Capital Grants	**27.63**	26.60
Revenue Grants	**188.92**	192.54
Terminalling Charges	**63.74**	59.07
Other Miscellaneous Income	**792.06**	578.91
TOTAL	**3,851.52**	**3,137.15**

Particulars relating to Revenue Grants are given in Note - 43.

NOTE - 24: OTHER INCOME

(₹ in crore)

Particulars		2021-2022	2020-2021
Interest on:	A		
Financial items:			
Deposits with Banks		**52.06**	65.16
Customers Outstandings		**416.38**	341.74
Oil Companies GOI SPL Bonds/ Other Investment		**1,098.84**	912.69
Other Financial Items		**356.95**	474.50
Total interest on Financial items		**1,924.23**	**1,794.09**

NOTES TO FINANCIAL STATEMENTS

NOTE - 24: OTHER INCOME (Contd..)

(₹ in crore)

Particulars		2021-2022	2020-2021
Non-Financial items		**14.42**	39.56
		1,938.65	**1,833.65**
Dividend	B	**1,053.59**	260.87
Profit on Sale of Investments (Net)		**-**	1.84
Profit on sale and disposal of Assets		**11.97**	-
Exchange Fluctuations (Net)		**-**	1,257.62
Gain on Derivatives		**68.00**	140.87
Fair value Gain on Financial instruments classified as FVTPL		**6.12**	-
Other Non Operating Income		**3.89**	4.69
TOTAL		**3,082.22**	**3,499.54**
A 1. Includes Tax Deducted at Source		**42.87**	8.55
A 2. Includes interest received under section 244A of the Income Tax Act.		**2.33**	24.15
A 3. Include interest on:			
Current Investments		**705.18**	638.32
Non-Current Investments		**393.66**	274.37
A 4. Total interest income (calculated using the effective interest method) for financial assets:			
In relation to Financial assets classified at amortised cost		**825.39**	881.40
In relation to Financial assets classified at FVOCI		**1,098.84**	912.69
B Dividend Income consists of Dividend on:			
Current Investments		**-**	1.69
Non-Current Investments		**1,053.59**	259.18

NOTE - 25: COST OF MATERIALS CONSUMED

(₹ in crore)

Particulars	2021-2022	2020-2021
Opening Stock	**30,024.74**	20,099.02
Add: Purchases	**3,44,766.09**	1,84,121.94
	3,74,790.83	**2,04,220.96**
Less: Closing Stock	**44,118.45**	30,024.74
TOTAL	**3,30,672.38**	**1,74,196.22**

NOTE - 26: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND STOCK IN PROCESS

(₹ in crore)

Particulars	2021-2022	2020-2021
Closing Stock		
Finished Products	**40,285.95**	32,586.14
Stock in Process	**10,728.63**	6,263.12
Stock- in - trade	**10,978.03**	9,432.37
	61,992.61	**48,281.63**

NOTES TO FINANCIAL STATEMENTS

NOTE - 26: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND STOCK IN PROCESS (Contd..)

(₹ in crore)

Particulars	2021-2022	2020-2021
Less:		
Opening Stock		
Finished Products	**32,586.14**	28,136.11
Stock in Process	**6,263.12**	5,713.98
Stock - in - Trade	**9,432.37**	8,249.93
	48,281.63	**42,100.02**
NET INCREASE / (DECREASE)	**13,710.98**	**6,181.61**

NOTE - 27: EMPLOYEE BENEFITS EXPENSE

(₹ in crore)

Particulars	2021-2022	2020-2021
Salaries, Wages, Bonus etc	**8,302.58**	8,621.45
Contribution to Provident & Other Funds	**1,764.66**	1,502.06
Voluntary Retirement Compensation	**2.90**	2.60
Staff Welfare Expenses	**1,512.78**	1,182.67
TOTAL	**11,582.92**	**11,308.78**

A. Excludes **₹ 477.68 crore** (2021: ₹ 446.06 crore) included in capital work in progress (construction period expenses - Note-2.2) / intangible assets under development (Note - 3.1) and **₹ 14.11 crore** (2021: ₹ 15.08 crore) included in CSR expenses (Note - 29.1).

B. Disclosure in compliance with Indian Accounting Standard-19 on "Employee Benefits" is given in Note - 36.

NOTE - 28: FINANCE COSTS

(₹ in crore)

Particulars		2021-2022	2020-2021
Interest Payments on Financial items:			
Working Capital Loans:			
Bank Borrowings		**668.64**	565.53
Bonds/Debentures		**513.58**	434.03
Others		**596.10**	787.52
		1,778.32	**1,787.08**
Other Loans:			
Bank Borrowings		**443.03**	427.82
Bonds/Debentures		**706.87**	673.44
Lease Obligations		**763.08**	765.92
Others		**2.10**	2.09
		1,915.08	**1,869.27**
Unwinding of Discount		**121.97**	97.13
Others		**4.15**	6.17
		3,819.52	**3,759.65**

NOTES TO FINANCIAL STATEMENTS

NOTE - 28: FINANCE COSTS (Contd..)

(₹ in crore)

Particulars		2021-2022	2020-2021
Interest Payments on Non Financial items:			
Unwinding of Discount		**25.72**	16.67
Others		**451.53**	581.98
		477.25	**598.65**
		4,296.77	**4,358.30**
Other Borrowing Cost	A	**30.60**	34.28
Applicable Net (Gain) / Loss on Foreign Currency Transactions and Translation	B	**1,095.89**	(803.46)
TOTAL		**5,423.26**	**3,589.12**

A. Mainly pertains to franking charges, service charges & other indirect expenses on borrowings.

B. In FY 2021-22, adjustment carried out for the year's exchange gain to the extent of unrealised exchange losses treated as finance cost in earlier years in line with Ind AS 23

Total interest expense (calculated using the effective interest method) for financial liabilities that are not at fair value through profit or loss 3,819.52 3,759.65

NOTE - 29: OTHER EXPENSES

(₹ in crore)

Particulars	2021-2022	2020-2021
Consumption:		
a) Stores, Spares and Consumables	**2,175.67**	1,792.39
b) Packages & Drum Sheets	**559.49**	422.15
	2,735.16	**2,214.54**
Power & Fuel	**34,480.85**	19,397.52
Less : Fuel from own production	**26,870.22**	14,979.47
	7,610.63	**4,418.05**
Throughput, Processing & Blending Fees, Royalty and Other Charges	**1,192.36**	1,036.80
Octroi, Other Levies and Irrecoverable taxes	**2,225.69**	1,789.15
Repairs and Maintenance		
i) Plant & Equipment	**3,965.98**	3,301.17
ii) Buildings	**358.05**	340.33
iii) Others	**642.81**	578.87
	4,966.84	**4,220.37**
Freight, Transportation Charges and Demurrage	**14,813.66**	14,610.91
Office Administration, Selling and Other Expenses (Note "29.1")	**10,939.50**	8,232.80
TOTAL	**44,483.84**	**36,522.62**
Less: Company's use of own Products and Crude	**1,153.37**	688.97
	43,330.47	**35,833.65**
TOTAL (Net)	**43,330.47**	**35,833.65**

NOTES TO FINANCIAL STATEMENTS

NOTE - 29.1: OFFICE,ADMINISTRATION,SELLING AND OTHER EXPENSES

(₹ in crore)

Particulars	2021-2022	2020-2021
Rent	**656.02**	607.65
Insurance	**346.52**	286.49
Rates & Taxes	**174.90**	146.90
Donation	**2.00**	1.00
Payment to auditors		
As Auditors	**4.85**	4.83
For Taxation Matters	**0.57**	0.50
Other Services(for issuing other certificates etc.)	**1.73**	1.56
For reimbursement of expenses	**0.13**	0.14
	7.28	**7.03**
Travelling & Conveyance	**649.30**	485.40
Communication Expenses	**68.63**	61.60
Printing & Stationery	**39.38**	32.89
Electricity & Water	**388.51**	378.56
Bank Charges	**30.81**	32.61
Advances, Claims, CWIP, etc. written off	**11.46**	17.36
Provision/ Loss on Assets sold or written off (Net)	**-**	136.50
Technical Assistance Fees	**89.59**	108.63
Exchange Fluctuation (net)	**1,452.28**	-
Provision for Doubtful Advances, Claims, CWIP, Stores etc.	**185.64**	574.46
Security Force Expenses	**913.93**	889.56
Sales Promotion Expenses (Including Commission)	**1,287.61**	344.68
Handling Expenses	**715.03**	641.67
Terminalling Charges	**13.74**	11.52
Provision for Probable Contingencies	**234.86**	-
Exploration & Production Cost	**1,817.20**	1,216.46
Fair value Loss on Financial instruments classified as FVTPL	**-**	27.64
Expenses on Construction Contracts	**6.64**	3.65
Expenses on CSR Activities	**323.24**	344.19
Training Expenses	**78.23**	60.62
Legal Expenses / Payment To Consultants	**223.33**	160.18
Notices and Announcement	**11.51**	10.59
Advertisement and Publicity	**37.32**	65.47
Pollution Control Expenses	**87.34**	115.75
Amortisation and Remeasurement of PMUY Assets	**587.97**	1,056.60
Miscellaneous Expenses	**499.23**	407.14
TOTAL	**10,939.50**	**8,232.80**

NOTES TO FINANCIAL STATEMENTS

NOTE - 30: OTHER COMPREHENSIVE INCOME

(₹ in crore)

Particulars		2021-2022	2020-2021
Items that will not be reclassified to profit or loss:			
Remeasurement of Defined Benefit Plans	A	**(739.29)**	14.95
Fair value of Equity Instruments		**6,783.55**	4,589.75
Share of Joint Ventures and associates in Remeasurement of Defined Benefit Plans		**(0.54)**	0.13
		6,043.72	**4,604.83**
Income Tax relating to items that will not be reclassified to profit or loss:			
Remeasurement of Defined Benefit Plans		**186.20**	(3.64)
Fair value of Equity Instruments		**(65.23)**	(199.12)
Share of Joint Ventures and associates in Remeasurement of Defined Benefit Plans		**0.06**	(0.08)
		121.03	**(202.84)**
Items that will be reclassified to profit or loss:			
Fair value of Debt Instruments		**(167.12)**	97.24
Gain/(Loss) on Hedging Instruments		**36.52**	22.47
Translation Reserve on Consolidation		**161.61**	(4.05)
Share of Joint Ventures and associates in Translation Reserve on Consolidation		**(6.34)**	5.51
		24.67	**121.17**
Income Tax relating to items that will be reclassified to profit or loss:			
Fair value of Debt Instruments		**42.10**	(16.33)
Gain/(Loss) on Hedging Instruments		**(9.19)**	(5.66)
		32.91	**(21.99)**
TOTAL		**6,222.33**	**4,501.17**

A. Includes contribution in respect of services prior to 01.01.2007 of employees on-role as on that date based on actuarial certificate (Refer Note 36).

NOTE – 31: DISTRIBUTIONS MADE AND PROPOSED

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Cash Dividends on Equity Shares declared:		
Final Dividend		
Total Final Dividend during the current year for previous financial year: **₹ 1.50 per share** (2021: NIL per share for previous financial year)	**1,377.16**	-
Interim Dividend		
Total Interim Dividend for current financial year: **₹ 9.00 per share** (2021: ₹ 10.50 per share).	**8,262.93**	9,640.09
Total	**9,640.09**	**9,640.09**
Proposed Dividend on Equity Shares		
Final proposed Dividend for current financial year: **₹ 3.60 per share** (2021: ₹ 1.50 per share)	**3,305.17**	1,377.16

Notes

1. 233118456 Shares held under IOC Share Trust (Shareholder) of face value **₹ 233.12 crore** (2021: ₹ 233.12 crore) have been netted off from paid up capital. IOC Share Trust have waived its right to receive the dividend w.e.f. March 02, 2020 and therefore dividend on shares held by IOC Share Trust was neither proposed in the last year nor during the current financial year.

NOTES TO FINANCIAL STATEMENTS

NOTE – 31: DISTRIBUTIONS MADE AND PROPOSED (Contd..)

2. The Company has also incurred expenses on distribution of final dividend amounting to **₹ 0.24 crore** (2021: Nil) and on distribution of interim dividend amounting to **₹ 0.48 crore** (2021: ₹ 0.38 crore) which have been debited to equity.

3. The Board of Directors recommended issue of bonus equity shares in the ratio of one equity share of ₹ 10 each for every two equity shares of ₹ 10 each held, subject to approval by the members of the Company. The bonus shares, upon approval, will also be eligible for the final dividend. The Board of Directors also recommended the final dividend of ₹ 3.60 per equity share having face value of ₹ 10/- (pre-bonus), which translates into final dividend of ₹ 2.40 per equity share having face value of ₹ 10/- (post-bonus) for FY 2021-22, subject to approval by the members of the Company.

NOTE – 32: EARNINGS PER SHARE (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders of the parent by the weighted average number of Equity Shares outstanding during the year.

The following reflects the profit/ (loss) and number of shares used in the basic and diluted EPS computations:

Particulars	2021-22	2020-21
Profit/ (loss) attributable to Equity holders (₹ in crore)	**25,102.23**	21,638.21
Weighted Average number of Equity Shares used for computing Earning Per Share (Basic)	**9181040466**	9181040466
Weighted Average number of Equity Shares used for computing Earning Per Share (Diluted)	**9181040466**	9181040466
Earnings Per Share (Basic) (₹)	**27.34**	23.57
Face value per share (₹)	**10.00**	10.00

Note

1. 233118456 Equity Shares held under IOC Share Trust of face value ₹ 233.12 crore have been excluded from weighted average number of Equity Shares and EPS is computed accordingly.

NOTE – 33A: GROUP INFORMATION AND MATERIAL PARTLY-OWNED SUBSIDIARIES

Information about subsidiaries

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Name	Principal Activities	Country of Incorporation	Equity Interest	
			Mar-2022	Mar-2021
Chennai Petroleum Corporation Limited	Refining of petroleum products	India	**51.89%**	51.89%
IndianOil (Mauritius) Limited	Terminalling, Retailing & Aviation refuelling	Mauritius	**100.00%**	100.00%
Lanka IOC PLC	Retailing, Terminalling & Bunkering	Sri Lanka	**75.12%**	75.12%
IOC Middle East FZE	Lube blending & marketing of lubricants	UAE	**100.00%**	100.00%
IOC Sweden AB	Investment company for E&P Project in Venezuela & Israel	Sweden	**100.00%**	100.00%
IOCL (USA) Inc.	Participation in Shale Gas Asset Project	USA	**100.00%**	100.00%

NOTES TO FINANCIAL STATEMENTS

NOTE – 33A: GROUP INFORMATION AND MATERIAL PARTLY-OWNED SUBSIDIARIES (Contd..)

Name	Principal Activities	Country of Incorporation	Equity Interest	
			Mar-2022	Mar-2021
IndOil Global B.V.	Investment company for E&P Project in Canada	Netherlands	**100.00%**	100.00%
IOCL Singapore PTE Limited	Investment company for E&P Project in Russia, Oman & Abu Dhabi	Singapore	**100.00%**	100.00%

Indian Catalyst Private Limited has been dissolved and name has been struck off from the ROC's register on 25th October 2021.

The Holding Company

51.50% of total shares are held by President of India as at March 31, 2022 (31 March 2021: 51.50%)

Material partly-owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

1. Proportion of equity interest held by non-controlling interests:

Name	Country of incorporation	Mar-2022	Mar-2021
Chennai Petroleum Corporation Limited	India	**48.11%**	48.11%
Lanka IOC PLC	Sri Lanka	**24.88%**	24.88%

2. Information regarding non-controlling interest:

(₹ in crore)

	Mar-2022	Mar-2021
Accumulated balances of material non-controlling interest:		
Chennai Petroleum Corporation Limited	**1,436.91**	775.15
Lanka IOC PLC	**154.56**	200.81
Profit/(loss) allocated to material non-controlling interest:		
Chennai Petroleum Corporation Limited	**650.46**	123.77
Lanka IOC PLC	**(26.09)**	0.24

The summarised financial information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

1. Summarised Balance Sheet:

(₹ in crore)

	Chennai Petroleum Corporation Limited		Lanka IOC PLC	
	Mar-2022	Mar-2021	Mar-2022	Mar-2021
Current assets	**8,866.58**	5,056.73	**1,421.80**	979.26
Current liabilities	**11,505.94**	9,361.18	**1,054.27**	971.09
Non-current assets	**8,729.00**	9,168.30	**265.10**	800.81
Non-current liabilities	**3,102.91**	3,252.65	**11.44**	1.90
Net assets	**2,986.73**	**1,611.20**	**621.19**	**807.08**
Accumulated Non-Controlling Interests	**1,436.91**	775.15	**154.56**	200.81

NOTES TO FINANCIAL STATEMENTS

NOTE – 33A: GROUP INFORMATION AND MATERIAL PARTLY-OWNED SUBSIDIARIES (Contd..)

2. Summarised Statement of Profit and Loss:

(₹ in crore)

	Chennai Petroleum Corporation Limited		Lanka IOC PLC	
	2021-22	2020-21	2021-22	2020-21
Revenue From Operations	**60,474.29**	41,899.07	**3,304.54**	2,637.86
Other Income	**17.74**	100.97	**119.22**	86.49
Cost of Material Consumed	**40,045.19**	19,864.68	**-**	-
Excise Duty	**17,098.91**	19,454.31	**-**	-
Purchases of Stock in trade	**47.72**	39.94	**3,623.71**	2,364.95
Changes in inventories of finished goods, stock-in-trade and work in progress	**(1,227.29)**	(892.11)	**(358.61)**	178.59
Employee Benefits Expense	**555.26**	564.51	**27.03**	23.90
Finance Costs	**412.44**	375.04	**110.88**	49.00
Depreciation and amortization expense	**503.89**	469.49	**16.65**	17.20
Impairment Losses	**(0.37)**	(1.13)	**-**	(13.93)
Other Expenses	**1,230.62**	854.63	**86.64**	99.34
Profit before exceptional items and tax	**1,825.66**	1,270.68	**(82.54)**	5.30
Share of Profit of Joint Ventures/Associates	**15.59**	25.56	**-**	-
Profit/(loss) before tax	**1,841.25**	1,296.24	**(82.54)**	5.30
Tax expense	**489.22**	1,038.98	**22.32**	4.34
Profit (Loss) for the period	**1,352.03**	257.26	**(104.86)**	0.96
Other Comprehensive Income	**23.50**	(5.33)	**(64.33)**	(71.66)
Total comprehensive income	**1,375.53**	251.93	**(169.19)**	(70.70)
Profit Attributable to Non-Controlling Interests	**650.46**	123.77	**(26.09)**	0.24
Dividends paid to Non-Controlling Interests	**-**	-	**4.16**	3.95

3. Summarised Cash Flow Information:

(₹ in crore)

	Chennai Petroleum Corporation Limited		Lanka IOC PLC	
	2021-22	2020-21	2021-22	2020-21
Operating Activities	**1,025.87**	452.25	**(132.93)**	235.33
Investing Activities	**(675.85)**	(547.95)	**75.24**	(335.07)
Financing Activities	**(342.84)**	96.80	**128.33**	121.36
Currency Translation Difference	**-**	-	**(26.69)**	(1.68)
Net increase/(decrease) in Cash and Cash Equivalents	**7.18**	1.10	**43.95**	19.94

NOTES TO FINANCIAL STATEMENTS

NOTE - 33 B: INTEREST IN JOINT VENTURE & ASSOCIATES

A. Details of Interest in Joint Venture & Associates is as under:

Name of entity	Place of Business	% of Ownership Interest	Carrying Amount (₹ in crore)
Joint Venture			
Indian Oiltanking Limited	India	49.38%	715.97
Lubrizol India Private Limited	India	26.00%	178.28
Indian Oil Petronas Private Limited	India	50.00%	607.18
Green Gas Limited	India	49.98%	195.06
Indian Oil Skytanking Private Limited	India	50.00%	91.05
Suntera Nigeria 205 Limited	Nigeria	25.00%	-
Delhi Aviation Fuel Facility Private Limited	India	37.00%	90.00
Indian Synthetic Rubber Private Limited	India	50.00%	318.67
Indian Oil Ruchi Biofuels LLP@	India	50.00%	-
NPCIL - IndianOil Nuclear Energy Corporation Limited	India	26.00%	0.38
GSPL India Transco Limited	India	26.00%	90.76
GSPL India Gasnet Limited	India	26.00%	499.76
IndianOil Adani Gas Private Limited	India	50.00%	619.82
Mumbai Aviation Fuel Farm Facility Private Limited	India	25.00%	94.64
Kochi Salem Pipelines Private Limited	India	50.00%	260.38
IndianOil LNG Private Limited	India	45.00%	3,444.67
Petronet CI Limited @@	India	26.00%	-
Hinduatan Urvarak and Rasayan Limited	India	29.67%	1,621.43
Ratnagiri Refinery & Petrochemicals Limited	India	50.00%	59.41
Indradhanush Gas Grid Limited	India	20.00%	82.31
IHB Limited	India	50.00%	1,027.92
IndianOil Total Private Limited	India	50.00%	13.51
IOC Phinergy Private Limited	India	50.00%	0.34
Paradeep Plastic Park Limited	India	49.00%	32.69
Associates			
Avi-Oil India Private Limited	India	25.00%	18.84
Petronet VK Limited	India	50.00%	0.02
Petronet LNG Limited	India	12.50%	1,708.51
Petronet India Limited@@@	India	18.00%	0.47

@Indian Oil has exited the Joint Venture, IndianOil Ruchi Biofuels LLP (M/s IORB) by giving notice of its exit from the LLP to the other JV partner viz. Ruchi Soya Industries Limited (M/s Ruchi) as well as to the LLP on December 26, 2018 stating that it will exit the LLP w.e.f. January 25, 2019. The time frame for completing exit formalities by M/s Ruchi by filing requisite forms with ROC was within 30 days of notice expiry period (i.e., by February 24, 2019) but the same is still pending and IndianOil name is appearing on ROC website as Partner in the said LLP. It has been informed that M/s Ruchi was under Corporate Insolvency Resolution Process and has been taken over by Patanjali Ayurveda Limited, and for the purpose of carrying out the process of liquidation, M/s. Sanatan has been inducted as the new partner in place of Indian Oil. All necessary documents have been provided to M/s Ruchi for completing formalities relating to exit of IndianOil from IORB LLP.

@@Petronet CI Ltd. (PCIL) is a JV amongst Indian Oil, PIL, RIL, NEL and BPCL. The company is under winding up and the matter is pending with Official Liquidator since 2006.

@@@ Petronet India Limited (PIL) is a JV amongst Indian Oil, BPCL, HPCL, RIL, NEL, IL&FS, SBI and ICICI. The company is under winding up and the matter is pending with Official Liquidator since 2018.

Notes:

1. The financials of Joint Operations as mentioned in Note 34 have been included in the financial statements of Indian Oil Corporation Ltd & Subsidiary Companies and in respect of other Joint Ventures/Associates of Subsidiary Companies, the same has been included in the financial statements of respective subsidiary company.

2. Ujjwala Plus Foundation is a joint venture of IOCL, BPCL and HPCL with fund contribution in the ratio of 50:25:25 which was incorporated as a limited by guarantee Company (without share capital) under section 8 of Companies Act, 2013.

NOTES TO FINANCIAL STATEMENTS

NOTE - 33 B: INTEREST IN JOINT VENTURE & ASSOCIATES (Contd..)

B. Summarised Financials of Material Joint Venture:

I.A. Summarised Balance Sheet of M/s Indian Oiltanking Limited:

(₹ in crore)

Particulars	31.03.2022	31.03.2021
Current assets	1,381.28	1,126.97
Current liabilities	598.44	581.20
Non-current assets	2,473.39	2,803.73
Non-current liabilities	1,808.18	1,972.11
Net assets	**1,448.05**	**1,377.39**
Proportion of the Group's ownership	**715.11**	**680.21**
Carrying amount of the investment	**715.97**	**681.08**
The above amounts of assets and liabilities include the followings		
Cash and cash equivalents	**87.60**	49.07
Current Financial Liabilities	**460.48**	444.91
Non-current financial liabilities	**1,703.91**	1,874.48

I.B. Summarised Statement of Profit and Loss of M/s Indian Oiltanking Limited:

(₹ in crore)

Particulars	31.03.2022	31.03.2021
Revenue From Operations	525.67	507.89
Other Income	85.89	74.64
Revenue From Operations	**611.55**	**582.53**
Cost of Material/Service Consumed	1.59	2.00
Employee Benefits Expense	59.92	58.83
Finance Costs	181.38	200.10
Depreciation and amortization expense	30.10	28.12
Other Expenses	183.82	137.54
Profit/(loss) Before tax	**154.74**	**155.94**
Tax expense:		
Current Tax	2.62	9.41
Deferred Tax	36.29	33.65
Profit (Loss) for the year	**115.83**	**112.88**
Other Comprehensive Income	-0.08	-0.75
Total comprehensive income	**115.75**	**112.13**
Group's Share in above:		
Profit (Loss) for the period	57.20	55.74
Other Comprehensive Income	-0.03	-0.38
Total comprehensive income	**57.17**	**55.36**
Dividend received	22.27	-

NOTES TO FINANCIAL STATEMENTS

NOTE - 33 B: INTEREST IN JOINT VENTURE & ASSOCIATES (Contd..)

II.A. Summarised Balance Sheet of M/s Indian Oil Petronas Private Limited:

(₹ in crore)

Particulars	31.03.2022	31.03.2021
Current assets	928.32	888.65
Current liabilities	213.11	137.59
Non-current assets	918.37	955.30
Non-current liabilities	274.38	295.77
Net assets	**1,359.20**	**1,410.59**
Proportion of the Group's ownership	**679.60**	**705.30**
Carrying amount of the investment	**607.18**	**632.86**
The above amounts of assets and liabilities include the followings		
Cash and cash equivalents	**284.75**	41.39
Current Financial Liabilities	**193.36**	110.31
Non-current financial liabilities	**196.32**	215.98

II.B. Summarised Statement of Profit and Loss of M/s Indian Oil Petronas Private Limited:

(₹ in crore)

Particulars	31.03.2022	31.03.2021
Revenue From Operations	2,956.66	1,872.22
Other Income	32.20	27.58
Revenue From Operations	**2,988.86**	**1,899.80**
Cost of Material/Service Consumed	2,393.93	1,319.64
Employee Benefits Expense	20.84	17.38
Finance Costs	24.71	23.92
Depreciation and amortization expense	77.78	68.48
Other Expenses	216.66	190.55
Profit/(loss) Before tax	**254.94**	**279.83**
Tax expense:		
Current Tax	66.62	75.01
Deferred Tax	-1.45	-0.99
Profit (Loss) for the year	**189.77**	**205.81**
Other Comprehensive Income	0.04	-0.18
Total comprehensive income	**189.81**	**205.63**
Group's Share in above:		
Profit (Loss) for the period	94.88	102.91
Other Comprehensive Income	0.02	-0.09
Total comprehensive income	**94.90**	**102.82**
Dividend received	120.60	120.60

NOTES TO FINANCIAL STATEMENTS

NOTE - 33 B: INTEREST IN JOINT VENTURE & ASSOCIATES (Contd..)

C. Details in respect of Immaterial Joint Venture & Associates:

(₹ in crore)

Particulars	31.03.2022	31.03.2021
Carrying Amount of Investments		
Joint Ventures	**8,721.08**	7,479.46
Associates	**1,727.84**	1,483.61
Aggregate amounts of the group's share of immaterial Joint Ventures:		
Share of Profits After Tax	**107.04**	103.10
Other comprehensive income	**-6.82**	6.03
Total comprehensive income	**100.22**	**109.13**
Aggregate amounts of the group's share of immaterial Associates:		
Share of Profits After Tax	**431.37**	357.56
Other comprehensive income	**-0.25**	0.08
Total comprehensive income	**431.12**	**357.64**

D. Group's share in Capital Commitments and Contingent Liabilities in respect of Joint Venture & Associates is as under:

(₹ in crore)

Particulars	31.03.2022	31.03.2021
Capital Commitments	**3,692.61**	4,164.21
Contingent Liabilities	**864.02**	764.89

NOTE – 34: INTEREST IN JOINT OPERATIONS

Name		Principle place of business	Proportion of Ownership Interest	
			March 31, 2022	March 31, 2021
A. The Group's interest in Joint Operations are as under:				
E&P BLOCKS				
1) AA-ONN-2001/2	A	India	**20.00%**	20.00%
2) GK-OSN-2009/1	B	India	**25.00%**	25.00%
3) AAP-ON-94/1		India	**29.03%**	29.03%
4) AA/ONDSF/UMATARA/2018		India	**90.00%**	90.00%
5) BK-CBM-2001/1		India	**20.00%**	20.00%
6) NK-CBM-2001/1		India	**20.00%**	20.00%
7) FARSI BLOCK IRAN	C	Iran	**40.00%**	40.00%
8) SHAKTHI GABON		Gabon	**50.00%**	50.00%
9) AREA 95-96	D	Libya	**25.00%**	25.00%
10) RJ-ONHP-2017/8		India	**30.00%**	30.00%
11) AA-ONHP-2017/12		India	**20.00%**	20.00%

NOTES TO FINANCIAL STATEMENTS

NOTE – 34: INTEREST IN JOINT OPERATIONS (Contd..)

Name		Principle place of business	Proportion of Ownership Interest	
			March 31, 2022	March 31, 2021
12) North Montney Joint Venture		Canada	**10.00%**	10.00%
13) Niobrara Shale Project		USA	**10.00%**	10.00%
14) Mukhaizna Oil Field		Oman	**17.00%**	17.00%
OTHERS				
15) INDOIL Netherlands B.V.	E	Netherlands	**50.00%**	50.00%

A. Exploration License expired on October 7, 2015. Consortium has requested Directorate General of Hydrocarbon (DGH) for Appraisal phase, however vide letter dated March 6, 2019, it was opined to carry out Exploration activity instead of Appraisal work. Accordingly, Operator requested DGH for extension of exploration period. Response from DGH is awaited.

B. Appraisal period has expired on February 1,2022. Consortium had requested Directorate General of Hydrocarbon (DGH) for extension. Response from DGH is awaited.

C. The project 's exploration period ended on 24 June 2009. The contractual arrangement with respect to development of the block could not be finalized so far with Iranian Authorities.

D. Under Force Majeure since May 20, 2014

E. IOC Sweden AB through its JV INDOIL Netherlends B.V has invested in Petrocarabobo project, the outcome of this investment may get delayed due to the political and economic situation in Venezuela.

B. The Group share of Financial position of Joint Operations are as under:

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Assets	**9,172.63**	**9,157.05**
PPE (including Producing Properties)	**6,226.82**	5,871.14
Capital Work in Progress	**340.91**	271.19
Intangible Asset under Development (Net of Provisions)	**1,953.03**	1,858.77
Other Assets (Net of Provisions)	**651.87**	1,155.95
Liabilities & Provisions	**5,130.42**	**4,786.66**
Liabilities	**4,552.18**	4,232.53
Provisions	**578.24**	554.13
Income	**3,188.18**	**1,742.68**
Sale of Products (Net of Own Consumption)	**3,188.05**	1,740.24
Other Income	**0.13**	2.44
Expenditure	**2,890.20**	**1,911.12**
Expenditure written off (incl exploration related)	**-**	45.64
Other Costs (incl exploration related)	**2,890.20**	1,865.48
Net Results	**297.98**	**(168.44)**
Commitments	**715.14**	**766.60**
Contingent Liabilities	**-**	**-**

Note: Including financial position of relinquished blocks.

NOTES TO FINANCIAL STATEMENTS

NOTE – 35A: DISCLOSURE RELATING EXPLORATION AND PRODUCTION ACTIVITIES

In compliance of Ind-AS-106 on "Exploration and Evaluation of Mineral Resources", the disclosure of financial information relating to activity associated with the exploration for and evaluation of mineral resources (crude oil, natural gas etc.) are as under:

(₹ in crore)

Name	March 31, 2022	March 31, 2021
(i) Assets	**211.00**	**211.02**
- Intangible Assets under Development	**205.23**	204.91
- Capital Work in Progress	**0.70**	0.79
- Other Assets	**5.07**	5.32
(ii) Liabilities	**84.84**	**86.30**
- Provisions	**2.31**	2.31
- Other Liabilities	**82.53**	83.99
(iii) Income	**-**	**0.19**
- Other Income	**-**	0.19
(iv) Expenses	**27.89**	**68.71**
- Exploration expenditure written off	**-**	45.64
- Other exploration costs	**27.89**	23.07
(v) Cash Flow		
- Net Cash from/(used) in operating activities	**(29.10)**	**(35.85)**
- Net Cash from/(used) in investing activities	**(0.52)**	**(2.47)**

NOTE – 35 B: IN COMPLIANCE OF REVISED GUIDANCE NOTE ON ACCOUNTING FOR OIL AND GAS PRODUCING ACTIVITIES, THE REQUIRED DISCLOSURES IN RESPECT OF RESERVES ARE AS UNDER

Net Proved Reserves of Crude Oil, Condensate, Natural Gas Liquids and Gas:

Assets		March 31, 2022		March 31, 2021	
		Crude Oil, Condensate, NGLs	Natural Gas	Crude Oil, Condensate, NGLs	Natural Gas
		TMT	Million Cubic Meter	TMT	Million Cubic Meter
A) Proved Reserves					
Niobrara Shale Project, USA	Begining	**166.54**	**48.79**	264.48	77.50
	Addition	**-**	**-**	-	-
	Deduction	**32.57**	**5.66**	90.82	22.86
	Production	**8.76**	**3.46**	7.12	5.85
	Balance	**125.21**	**39.67**	166.54	48.79
Pacific Northwest LNG, Canada	Begining	**1,384.97**	**10,372.70**	1,231.61	9,065.38
	Addition	**325.22**	**2,861.07**	212.62	1,796.84
	Deduction	**-**	**-**	-	-
	Production	**68.81**	**604.62**	59.26	489.53
	Balance	**1,641.38**	**12,629.15**	1,384.97	10,372.70
Oman	Begining	**5,154.18**	**-**	8,413.23	-
	Addition	**995.66**	**-**	535.62	-
	Deduction	**-**	**-**	3,050.69	-
	Production	**816.88**	**-**	743.98	-
	Balance	**5,332.96**	**-**	5,154.18	-

NOTE – 35 B: IN COMPLIANCE OF REVISED GUIDANCE NOTE ON ACCOUNTING FOR OIL AND GAS PRODUCING ACTIVITIES, THE REQUIRED DISCLOSURES IN RESPECT OF RESERVES ARE AS UNDER (Contd..)

Assets		March 31, 2022		March 31, 2021	
		Crude Oil, Condensate, NGLs	Natural Gas	Crude Oil, Condensate, NGLs	Natural Gas
		TMT	Million Cubic Meter	TMT	Million Cubic Meter
Assam AAP-ON-94/1	Begining	**26.15**	**1,030.54**	35.81	1,137.21
	Addition	**-**	**-**	-	-
	Deduction	**-**	**-**	-	-
	Production	**8.42**	**100.64**	9.66	106.67
	Balance	**17.73**	**929.90**	26.15	1,030.54
Total Proved Reserves		**7,117.28**	**13,598.72**	**6,731.84**	**11,452.03**
B) Proved developed Reserves					
Niobrara Shale Project, USA	Begining	**56.06**	**19.91**	66.02	23.02
	Addition	**12.34**	**7.30**	-	2.74
	Deduction	**-**	**-**	2.84	-
	Production	**8.76**	**3.46**	7.12	5.85
	Balance	**59.64**	**23.75**	56.06	19.91
Pacific Northwest LNG, Canada	Begining	**326.58**	**2,830.77**	218.04	2,534.79
	Addition	**258.75**	**1,685.73**	167.80	785.51
	Deduction	**-**	**-**	-	-
	Production	**68.81**	**604.62**	59.26	489.53
	Balance	**516.52**	**3,911.88**	326.58	2,830.77
Oman	Begining	**4,453.09**	**-**	6,869.93	-
	Addition	**840.34**	**-**	-	-
	Deduction	**-**	**-**	1,672.86	-
	Production	**816.88**	**-**	743.98	-
	Balance	**4,476.55**	**-**	4,453.09	-
Assam AAP-ON-94/1	Begining	**26.15**	**1,030.54**	35.81	1,137.21
	Addition	**-**	**-**	-	-
	Deduction	**-**	**-**	-	-
	Production	**8.42**	**100.64**	9.66	106.67
	Balance	**17.73**	**929.90**	26.15	1,030.54
Total Proved developed Reserves		**5,070.44**	**4,865.53**	**4,861.88**	**3,881.22**

NOTES TO FINANCIAL STATEMENTS

NOTE – 35 B: IN COMPLIANCE OF REVISED GUIDANCE NOTE ON ACCOUNTING FOR OIL AND GAS PRODUCING ACTIVITIES, THE REQUIRED DISCLOSURES IN RESPECT OF RESERVES ARE AS UNDER (Contd..)

Net Proved Reserves & Proved developed Reserves of Crude Oil, Condensate, Natural Gas Liquids and Gas on Geographical Basis:

Details		March 31, 2022		March 31, 2021	
		Crude Oil, Condensate, NGLs	Natural Gas	Crude Oil, Condensate, NGLs	Natural Gas
		TMT	Million Cubic Meter	TMT	Million Cubic Meter
A) Proved Reserves					
U.S.		**125.21**	**39.67**	166.54	48.79
Canada		**1,641.38**	**12,629.15**	1,384.97	10,372.70
Oman		**5,332.96**	**-**	5,154.18	-
India		**17.73**	**929.90**	26.15	1,030.54
Total Proved Reserves		**7,117.28**	**13,598.72**	**6,731.84**	**11,452.03**
B) Proved developed Reserves					
U.S.		**59.64**	**23.75**	56.06	19.91
Canada		**516.52**	**3,911.88**	326.58	2,830.77
Oman		**4,476.55**	**-**	4,453.09	-
India		**17.73**	**929.90**	26.15	1,030.54
Total Proved developed Reserves		**5,070.44**	**4,865.53**	**4,861.88**	**3,881.22**

Frequency

The Group uses in house study as well as third party agency each year for reserves certification who adapt latest industry practices for reserve evaluation. For the purpose of estimation of Proved and Proved developed reserves, deterministic method is used by the Group. The annual revision of estimates is based on the yearly exploratory and development activities and results thereof.

NOTE – 36: EMPLOYEE BENEFITS

Disclosures in compliance with Ind-As 19 on "Employee Benefits" is as under:

A. Defined Contribution Plans- General Description

Employee Pension Scheme (EPS-95) *

During the year, the Group has recognised **₹ 32.08 crore** (2021: ₹ 34.63 crore) as contribution to EPS-95 in the Statement of Profit and Loss/ CWIP (included in Contribution to Provident and Other Funds in Note - 27/ Construction period expenses in Note-2.2).

Pension Scheme *

During the year, the Group has recognised **₹ 538.81 crore** (2021: ₹ 470.93 crore) towards Defined Contributory Employees Pension Scheme (including contribution in corporate National Pension Scheme) in the Statement of Profit and Loss/ CWIP (included in Contribution to Provident and Other Funds in Note - 27/ Construction period expenses in Note-2.2).

B. Defined Benefit Plans- General Description

Provident Fund: *

The Group's contribution to the Provident Fund are remitted to the three separate provident fund trusts established for this purpose based on a fixed percentage of the eligible employee's salary and charged to the Statement of Profit and Loss. Shortfall of net income of trust below Government specified minimum rate of return, if any, and loss to the trust due to its investments turning stressed are being made good by the Group. Actuarial valuation was carried out in this regard and **₹ 355.01 crore** (2021: ₹ 136.36 crore) has been provided by the Group towards interest shortfall/ losses of PF trusts.

Gratuity: *

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount based on completed tenure of service subject to maximum of ₹ 0.20 crore at the time of separation from the group. Besides, the ceiling of gratuity increases by 25% whenever IDA rises by 50% with reference to January 01, 2017.

Post Retirement Medical Benefit Facility (PRMBF):*

PRMBF provides medical coverage to retired employees and their eligible dependant family members.

During the year, the Parent Company has contributed ₹ 767.13 crore in respect of services prior to 01.01.2007 for employees on-roll as on that date based on actuarial certificate and as approved by Board. The contribution to the extent of ₹ 643.89 crore has been adjusted in Other Comprehensive Income against amount shown as recoverable advance towards PRMB trust in earlier years.

Resettlement Benefit:

Resettlement benefit is allowed to employees to facilitate them to settle down upon retirement.

Ex gratia Scheme:

Ex-gratia is payable to those employees who have retired before January 01, 2007 and either not drawing pension from superannuation benefit fund (as they superannuated prior to January 01, 1987, i.e. introduction of superannuation benefit fund scheme in IndianOil) or are drawing a pension lower than the ex gratia fixed for a Grade (in such case differential amount between pension and ex gratia is paid).

Employees Compensation for injuries arising out of or during the course of employment:

Employees covered under the Employees' Compensation Act, 1923 who meet with accidents, while on duty, are eligible for compensation under the said Act. Besides, a lumpsum monetary compensation equivalent to 100 months' Pay (BP+DA) is paid in the event of an employee suffering death or permanent total disablement due to an accident arising out of and in the course of his employment.

Felicitation of Retired Employees:

The Parent Company has a scheme to felicitate retired employees on attaining different age milestones with a token lumpsum amount.

* As per the Guidelines of Department of Public Enterprises (DPE) on Pay Revision, the Parent Company can contribute upto 30% of Basic Pay plus Dearness Allowance of its employees towards superannuation schemes comprising of Provident Fund, Gratuity, Post-Retirement Medical Benefits (PRMBF) and Pension. In this regard, the total charge to Statement of Profit and Loss/ Other Comprehensive Income (OCI) was earlier limited to 30% of Basic pay plus Dearness Allowance and balance amount funded was shown as recoverable advance from the Parent Company's contribution towards superannuation benefits including pension schemes. During the current year, these recoverable advances have been adjusted against the contribution for the year including additional contribution to PRMBF towards services prior to 01.01.2007.

C. Other Long-Term Employee Benefits - General Description

Leave Encashment:

Each employee is entitled to get 8 earned leaves for each completed quarter of service. Encashment of earned leaves is allowed during service leaving a minimum balance of 15 days subject to maximum accumulation of 300 days. In addition, each employee is entitled to get 5 sick leaves (in lieu of 10 Half Pay Leave) at the end of every six months. The entire accumulation of sick leave is permitted for encashment only at the time of retirement. DPE had clarified earlier that sick leave cannot be encashed, though Earned Leave (EL) and Half Pay Leave (HPL) could be considered for encashment on retirement subject to the overall limit of 300 days. Ministry of Petroleum and Natural Gas (MOP&NG) has advised the Parent Company to comply with the said DPE Guidelines. However, in compliance to the DPE guidelines of 1987 which had allowed framing of own leave rules within broad parameters laid down by the Government and keeping in view operational complications and service agreements the Parent company had requested concerned authorities to reconsider the matter. Subsequently, based on the recommendation of the 3rd Pay Revision Committee, DPE in its guidelines on pay revision, effective from January 01,

NOTES TO FINANCIAL STATEMENTS

NOTE – 36: EMPLOYEE BENEFITS (Contd..)

2017 has inter-alia allowed CPSEs to frame their own leave rules considering operational necessities and subject to conditions set therein. The requisite conditions are fully met by the Parent Company.

Long Service Award:

On completion of specified period of service with the Group and also at the time of retirement, employees are rewarded with amounts based on the length of service completed. It is a mode of recognizing long years of loyalty and faithful service in line with Bureau of Public Enterprises (currently DPE) advice vide its DO No. 7(3)/79-BPE (GM.I) dated February 14, 1983. On receipt of communication from MoPNG advising us that the issue of Long Service Award has been made into an audit para in the Annual Report of CAG of 2019, the Parent Company has been clarifying its position to MoP&NG individually as well as on industry basis as to how Long Service Awards are not in the nature of Bonus or Ex-gratia or honorarium and is emanating from a settlement with the unions under the Industrial Dispute Act as well as with the approval of the Board in line with the DPE's advice of 1983. The matter is being pursued with MOP&NG for resolution. Pending this the provision is in line with Board approved policy.

The amount provided during the year on this account is **₹ 18.33 crore** (2021: ₹ 19.29 crore) and the payments made to employees during the year is **₹ 28.14 crore** (2021: ₹ 27.18 crore). The actuarial liability of **₹ 184.11 crore** in this respect as on 31.03.2022 is included under "Provision for Employees Benefit" in "Note 18 – Provisions".

Leave Fare Allowance (LFA) / Leave Travel Concession (LTC):

LTC is allowed once in a period of two calendar years (viz. two yearly block). An employee has, in any given block period of two years, an option of availing LTC or encashing the entilements of LFA.

D. The summarised position of various Defined Benefit Plans recognised in the Statement of Profit & Loss, Balance Sheet and Other Comprehensive Income are as under:

(Figures given in Unbold & Italic Font in the table are for previous year)

(i) Reconciliation of balance of Defined Benefit Plans

(₹ in crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Defined Obligation at the beginning	**18,124.08**	**2,907.22**	**6,785.75**	**127.26**	**236.23**	**486.39**
	16,724.32	*2,935.92*	*6,133.72*	*133.63*	*246.72*	*444.67*
Current Service Cost	**513.75**	**51.28**	**277.28**	**18.37**	**-**	**2.02**
	531.68	*54.04*	*255.80*	*19.22*	-	*1.74*
Past Service Cost	**(262.26)**	**-**	**-**	**-**	**-**	**-**
	-	*16.83*	-	-	-	-
Interest Cost	**1,438.72**	**200.63**	**468.90**	**8.78**	**14.95**	**33.61**
	1,391.01	*201.48*	*417.71*	*9.17*	*14.90*	*30.37*
Contribution by employees	**1,112.53**	**-**	**-**	**-**	**-**	**-**
	1,235.48	-	-	-	-	-
Net Liability transferred In / (Out)	**187.37**	**-**	**-**	**-**	**-**	**-**
	103.23	-	-	-	-	-
Benefits paid	**(2,414.60)**	**(319.28)**	**(281.54)**	**(8.33)**	**(36.40)**	**(16.63)**
	(1,999.36)	*(325.34)*	*(232.62)*	*(6.89)*	*(36.40)*	*(13.70)*
Actuarial (gain)/ loss on obligations due to Future Interest Shortfall	**0.27**	**(28.08)**	**49.40**	**(27.18)**	**40.58**	**(38.14)**
	137.72	*24.29*	*211.14*	*(27.87)*	*11.01*	*23.31*
Defined Benefit Obligation at the end of the year	**18,699.86**	**2,811.77**	**7,299.79**	**118.90**	**255.36**	**467.25**
	18,124.08	*2,907.22*	*6,785.75*	*127.26*	*236.23*	*486.39*

NOTES TO FINANCIAL STATEMENTS

NOTE – 36: EMPLOYEE BENEFITS (Contd..)

(ii) Reconciliation of balance of Fair Value of Plan Assets

(₹ in crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Fair Value of Plan Assets at the beginning of the year	**17,994.59**	**2,884.03**	**6,533.15**	**-**	**-**	**-**
	16,647.25	*2,481.21*	*5,547.42*	-	-	-
Interest Income	**1,438.44**	**199.05**	**451.44**	**-**	**-**	**-**
	1,391.01	*170.30*	*377.78*	-	-	-
Contribution by employer	**513.75**	**20.29**	**409.71**	**-**	**-**	**-**
	531.68	*543.60*	*788.24*	-	-	-
Contribution by employees	**1,112.53**	**-**	**1.24**	**-**	**-**	**-**
	1,235.48	-	*1.22*	-	-	-
Net Liability transferred In / (Out)	**187.37**	**-**	**-**	**-**	**-**	**-**
	103.23	-	-	-	-	-
Benefit paid	**(2,414.60)**	**(301.69)**	**(275.53)**	**-**	**-**	**-**
	(1,999.36)	*(325.34)*	*(228.48)*	-	-	-
Provision for NPA	**(612.36)**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Expected Contribution for NPA	**612.36**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	-	-
Re-measurement (Return on plan assets excluding Interest Income)	**160.34**	**20.46**	**81.67**	**-**	**-**	**-**
	85.30	*14.26*	*46.97*	-	-	-
Fair value of plan assets at the end of the year	**18,992.42**	**2,822.14**	**7,201.68**	**-**	**-**	**-**
	17,994.59	*2,884.03*	*6,533.15*	-	-	-

(iii) Reconciliation of Fair Value of Plan Assets and Defined Benefit Obligation

(₹ in crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Fair Value of Plan Assets at the end of the year	**18,992.42**	**2,822.14**	**7,201.68**	**-**	**-**	**-**
	17,994.59	*2,884.03*	*6,533.15*	-	-	-
Defined Benefit Obligation at the end of the year (Net of Interest Shortfall)	**18,699.86**	**2,811.77**	**7,299.79**	**118.90**	**255.36**	**467.25**
	17,861.82	*2,907.22*	*6,785.75*	*127.26*	*236.23*	*486.39*
Amount not recognised in the Balance Sheet (as per para 64 of Ind-As 19)	**297.46**	**-**	**-**	**-**	**-**	**-**
	137.12	-	-	-	-	-
Net Liability/ (Assets) recognised in the Balance Sheet	**4.90**	**(10.37)**	**98.11**	**118.90**	**255.36**	**467.25**
	266.61	*23.19*	*252.60*	*127.26*	*236.23*	*486.39*

NOTES TO FINANCIAL STATEMENTS

NOTE – 36: EMPLOYEE BENEFITS (Contd..)

(iv) Amount recognised in Statement of Profit and Loss / Construction Period Expenses

(₹ in crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Current Service Cost	**513.75**	**51.28**	**277.28**	**18.37**	**-**	**2.02**
	531.68	*54.04*	*255.80*	*19.22*	*-*	*1.74*
Past Service Cost	**(262.26)**	**-**	**-**	**-**	**-**	**-**
	-	*16.83*	*-*	*-*	*-*	*-*
Net Interest Cost	**0.28**	**1.58**	**17.46**	**8.78**	**14.95**	**33.61**
	-	*31.18*	*39.93*	*9.17*	*14.90*	*30.37*
Contribution by Employees	**-**	**-**	**(1.36)**	**-**	**-**	**-**
	-	*-*	*(1.22)*	*-*	*-*	*-*
Expected Contribution for NPA	**612.36**	**-**	**-**	**-**	**-**	**-**
	-	*-*	*-*	*-*	*-*	*-*
Actuarial (gain)/ loss on obligations due to Future Interest Shortfall	**-**	**-**	**-**	**-**	**-**	**-**
	132.02	*-*	*-*	*-*	*-*	*-*
Expenses for the year	**864.13**	**52.86**	**293.38**	**27.15**	**14.95**	**35.63**
	663.70	*102.05*	*294.51*	*28.39*	*14.90*	*32.11*

(v) Amount recognised in Other Comprehensive Income (OCI)

(₹ in crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Actuarial (gain)/ loss on Obligations - Due to change in Demographic assumptions		**(4.62)**	**(1.79)**	**1.71**	**-**	**(11.82)**
		(0.36)	653.45	*-*	5.05	69.18
Actuarial (gain)/ loss on Obligations - Due to change in Financial assumptions	**0.27**	**(93.05)**	**(581.55)**	**(7.28)**	**(6.39)**	**(24.09)**
	5.70	*(10.30)*	*(109.48)*	*(0.73)*	*(2.81)*	*(4.18)*
Actuarial (gain)/ loss on Obligations - Due to Experience	**-**	**69.59**	**632.74**	**(21.61)**	**46.97**	**(2.23)**
	-	*34.95*	*(332.83)*	*(27.14)*	*8.77*	*(41.69)*
Re-measurement (Return on plan assets excluding Interest Income)	**-**	**20.46**	**81.67**	**-**	**-**	**-**
	(1.76)	*14.26*	*46.97*	*-*	*-*	*-*
Amount recoverable from employee adjusted in OCI	**-**	**(200.56)**	**(643.89)**	**-**	**-**	**-**
	7.46	*(13.68)*	*209.33*	*-*	*-*	*-*
Net Loss / (Gain) recognized in OCI #	**0.27**	**152.02**	**611.62**	**(27.18)**	**40.58**	**(38.14)**
	-	*23.71*	*(45.16)*	*(27.87)*	*11.01*	*23.31*

Net of Translation difference loss/ (gain) amounting to **₹ 0.12 crore** (2021: ₹ 0.05 crore)

NOTES TO FINANCIAL STATEMENTS

NOTE – 36: EMPLOYEE BENEFITS (Contd..)

(vi) Major Actuarial Assumptions*

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Discount rate	**7.27%**	**7.31%**	**7.40%**	**7.31%**	**6.96%**	**7.40%**
	6.90%	*6.90%*	*6.91%*	*6.90%*	*6.33%*	*6.91%*
Salary escalation	**-**	**8.00%**	**-**	**-**	**-**	**-**
	-	*8.00%*	*-*	*-*	*-*	*-*
Inflation	**-**	**-**	**8.00%**	**6.00%**	**-**	**-**
	-	*-*	*8.00%*	*6.00%*	*-*	*-*
Average Expected Future Service/ Obligation (Years)	**-**	**17**	**30**	**17**	**9**	**30**
	-	*16*	*30*	*16*	*9*	*30*
Mortality rate during employment		**Indian Assured Lives Mortality (2012-14) Urban**				
		Indian Assured Lives Mortality (2006-08) Ult				

In case of funded schemes above, expected return on plan assets is same as that of respective discount rate.

The estimate of future salary increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

* Assumptions considered in actuarial valuation of defined benefit obligations of the Parent Company.

(vii) Sensitivity on Actuarial Assumptions:

(₹ in crore)

Loss / (Gain) for	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Change in Discounting Rate						
Increase by 1%	**-**	**(260.03)**	**(331.16)**	**(15.11)**	**(9.45)**	**(42.61)**
	-	*(213.10)*	*(1,028.41)*	*(16.16)*	*(9.17)*	*(47.09)*
Decrease by 1%	**-**	**175.32**	**399.14**	**19.08**	**10.32**	**51.84**
	-	*250.76*	*1,369.80*	*20.45*	*10.03*	*57.68*
Change in Salary Escalation						
Increase by 1%	**-**	**(1.64)**	**-**	**-**	**-**	**-**
	-	*65.72*	*-*	*-*	*-*	*-*
Decrease by 1%	**-**	**(110.35)**	**-**	**-**	**-**	**-**
	-	*(71.64)*	*-*	*-*	*-*	*-*
Change in Inflation Rate						
Increase by 1%	**-**	**-**	**875.03**	**-**	**-**	**-**
	-	*-*	*838.49*	*-*	*-*	*-*
Decrease by 1%	**-**	**-**	**(716.24)**	**-**	**-**	**-**
	-	*-*	*(682.71)*	*-*	*-*	*-*

NOTES TO FINANCIAL STATEMENTS

NOTE – 36: EMPLOYEE BENEFITS (Contd..)

(viii) Investment details:

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Investment with Insurer	-	99.62%	86.07%
	-	*99.56%*	*88.52%*
Self managed investments	100.00%	0.38%	13.93%
	100.00%	*0.44%*	*11.48%*

Details of the investment pattern for the above mentioned funded obligations are as under:

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Government Securities (Central & State)	51.10%	53.99%	18.38%
	50.49%	*44.38%*	*23.42%*
Investment in Equity / Mutual Funds	8.04%	1.91%	16.34%
	7.82%	*3.13%*	*0.22%*
Investment in Debentures / Securities	38.24%	41.85%	65.26%
	39.49%	50.29%	*75.75%*
Other approved investments (incl. Cash)	2.62%	2.25%	0.02%
	2.20%	*2.20%*	*0.61%*

* In case of Parent Company, pending receipt of investment pattern from LIC, pattern above pertains to self managed funds & funds managed by other insurers and the actual investment pattern after considering the details from LIC shall vary.

(ix) The following payments are expected projections to the defined benefit plan in future years:

(₹ in crore)

Cash Flow Projection from the Fund/Employer	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Within next 12 Months	341.71	283.37	8.32	30.21	25.35
	213.60	*242.23*	*8.38*	*36.74*	*22.89*
Between 1 to 5 Years	1,007.51	1,225.00	26.19	94.49	109.88
	1,183.34	*1,045.65*	*28.69*	*109.65*	*106.51*
Between 6 to 10 Years	1,122.57	1,726.50	32.45	68.49	166.28
	1,191.03	*1,455.47*	*34.38*	*72.48*	*162.23*

NOTES TO FINANCIAL STATEMENTS

NOTE – 37: COMMITMENTS AND CONTINGENCIES

A. Leases

(a) As Lessee

The Group has entered into various material lease arrangements (including in substance lease arrangements) such as lands and buildings for the purpose of its plants, facilities, offices, retail outlet etc., storage tankages facility for storing petroleum products, time charter arrangements for coastal transportation of crude and petroleum products, transportation agreement for dedicated tank trucks for road transportation of petroleum products, handling arrangement with CFA for providing dedicated storage facility and handling lubes, supply of utilities like Hydrogen, Oxygen, Nitrogen and Water, and port facilities among others.

There are no significant sale and lease back transactions and lease agreements entered by the Group do not contain any material restrictions or covenants imposed by the lessor upto the current reporting period.

Details of significant leases entered by the Group (including in substance leases) are as under;

1. BOOT Agreement in respect of Tankages facility at Paradip for a period of 15 years. Lessor will transfer ownership to IOCL after 15 years at Nil value.
2. BOOT Agreement in respect of Water Intake facility at Paradip for a period of 25 years. Lessor will transfer ownership to IOCL after 25 years at ₹ 0.01 crore.
3. Leasehold lands from government for the purpose of plants, facilities and offices for the period 30 to 90 years.
4. Agreements with vessel owners for hiring of vessels for various tenures, these are classified as Transport Equipments.
5. BOO Agreement for supply of oxygen and nitrogen at Panipat Refinery. The land is owned by IOCL and the plant is being operated by contractor for supply of oxygen and nitrogen to IOCL.
6. BOO Agreement for leasing of Nitrogen & Hydrogen Plant at Paradip for 15 years .
7. BOOT Agreement for leasing of Quality Control Lab at Paradip for 10 years. Lessor will transfer the Assets after 10 years at ₹ 0.01 crore.
8. Arrangements with Adani Ports and Special Economic Zone Limited related to port facilities at Mundra for a period of 25 years and 11 months.
9. Arrangement for lease of land for operating Retail Outlets for sale of Petroleum products, setting up terminals/Bottling plant/Lube Blending plant for storing petroleum products/bottling LPG/Manufacturing Lubes respectively.
10. CFA handling arrangement with CFAs for providing dedicated storage facility for handling lubes.
11. Arrangements with Tank truck operators for providing dedicated tank trucks for transportation of Group's petroleum products.
12. Arrangements for dedicated time charter vessels for coastal transportation of Group's petroleum products.
13. Arrangement for dedicated storage tanks for storing Group's petroleum products at various locations.
14. Arrangement for using hookup facilities for supply of gas to its city gas station in Rewa District with Reliance Gas Pipeline Limited for a period of 15 years.
15. Employee Township at Cauvery Basin Refinery of CPCL (Subsidiary) has been constructed on land area of thirty four acres and forty nine cents leased from a trust on five year renewable basis.

Amount Recognized in the Statement of Profit and Loss or Carrying Amount of Another Asset

(₹ in crore)

Particulars	2021-22	2020-21
Depreciation recognized	1,134.62	1,201.23
Interest on lease liabilities	776.05	777.99
Expenses relating to short-term leases (leases more than 30 days but less than 12 months)*	1,601.51	1,833.14
Expenses relating to leases of low-value assets, excluding short-term leases of Low-value assets	29.11	13.56

NOTES TO FINANCIAL STATEMENTS

NOTE – 37: COMMITMENTS AND CONTINGENCIES (Contd..)

(₹ in crore)

Particulars		2021-22		2020-21
Variable lease payments not included in the measurement of lease liabilities		**9,784.12**		8,959.41
Income from sub-leasing right-of-use assets				
-As Rental income from Operating Lease	23.29		22.64	
-As Finance income from Finance Lease of RoU Asset	0.28	**23.57**	0.13	22.77
Total cash outflow for leases		**3,072.06**		2,338.12
Additions to ROU during the year		**1,123.31**		1,449.93
Gain or losses arising from sale and leaseback transactions		**-**		-
Net Carrying Amount of ROU at the end the year		**9,161.14**		9,174.59
Others including Disputed, Leave & License, Reversal of excess liability of previous year, exchange fluctuation on lease liability etc...		**279.89**		172.93

*Includes Leases for which agreement are yet to be entered or due for renewal.

The details of ROU Asset included in PPE (Note 2) held as lessee by class of underlying asset (excluding those covered in Investment property) is presented below :-

2021-22

(₹ in crore)

Asset Class	Net Carrying value as at April 01, 2021	Additions to RoU Asset during the Year**	Depreciation Recognized During the Year**	Net Carrying value as at March 31, 2022
Leasehold Land	4171.61	(348.41)	78.01	**3745.19**
Buildings Roads etc.	350.84	19.36	24.93	**345.27**
Plant & Equipment	3637.19	(46.30)	220.40	**3370.49**
Transport Equipments	1014.85	1495.51	810.21	**1700.15**
Railway Sidings	0.10	0.03	0.09	**0.04**
Total	**9174.59**	**1120.19**	**1133.64**	**9161.14**

2020-21

(₹ in crore)

Asset Class	Net Carrying value as at April 1, 2020	Additions to RoU Asset during the Year**	Depreciation Recognized During the Year**	Net Carrying value as at March 31, 2021
Leasehold Land	3990.82	477.04	296.25	4171.61
Buildings Roads etc.	100.66	282.39	32.21	350.84
Plant & Equipment	3887.62	19.13	269.56	3637.19
Transport Equipments	948.20	669.62	602.97	1014.85
Railway Sidings	0.11	-	0.01	0.10
Total	**8927.41**	**1448.18**	**1201.00**	**9174.59**

** Additions to RoU Asset during the year is net of RoU Assets given on Sublease or modifications and cancellations during the year, if any. Further, it includes the impact of reclassification of site preparation cost to Building, Plant & Equipment etc in line with the EAC opinion (Refer Note-49). Its asset class wise details have been shown under Note 2: Property, Plant and Equipment.

Includes **₹ (3.12) crore (2021: ₹ (1.75) crore) on account of FCTR difference in Additions and **₹ (0.98) crore** (2021: ₹ (0.23) crore) under Depreciation.

NOTES TO FINANCIAL STATEMENTS

NOTE – 37: COMMITMENTS AND CONTINGENCIES (Contd..)

As per requirement of the standard, maturity analysis of Lease Liabilities have been shown separately from the maturity analysis of other financial liabilities under **Liquidity Risk-Note 41: Financial Instruments & Risk Factors.**

Details of items of future cash outflows which the Group is exposed as lessee but are not reflected in the measurement of lease liabilities are as under;

(i) Variable Lease Payments

Variable lease payments that depend on an index or a rate are to be included in the measurement of lease liability although not paid at the commencement date. As per general industry practice, the Group incurs various variable lease payments which are not based any index or rate (variable based on kms covered or % of sales etc..) and are recognized in profit or loss and not included in the measurement of lease liability. Details of some of the arrangements entered by the Group which contain variable lease payments are as under;

1. Transportation arrangement based on number of kms covered for dedicated tank trucks with different operators for road transportation of petroleum, petrochemical and gas products.
2. Leases of Land of Retail Outlets based on Sales volume.
3. Rent for storage tanks for petroleum products on per day basis.
4. Payment of VTS software and VSAT equipment based on performance of equipment.

(ii) Extension and Termination Options

The Group lease arrangements includes extension options only to provide operational flexibility.Group assesses at every lease commencement whether it is reasonably certain to exercise the extension options and further reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control. However, where Group has the sole discretion to extend the contract such lease term is included for the purpose of calculation of lease liabilities.

The Group has the sole discretion to terminate the lease in case of lease agreement for Retail Outlets. However, Group is reasonably certain not to exercise the option in view of significant improvement and prominent importance of Retail to the entity's operations. Accordingly, such lease term without any effect of termination is considered for the purpose of calculation of lease liabilities.

(iii) Residual Value Guarantees

The Group have entered into various BOOT agreements wherein at the end of lease term the leased assets will be transferred to the Group at Nominal value which has no significant impact on measurement of lease liabilities.

(iv) Committed leases which are yet to commence

1. Parent Company has entered into lease agreement on BOO basis for supply of oxygen and nitrogen gas to IOCL Ethylene Glycol Project at Paradip Refinery for a period of 20 years. IOCL has sub leased the land for the construction of the plant. Lease will commence once plant is commissioned.
2. Parent Company has entered into lease agreement for hiring of one time charter vessels for a period of 2 years to be commenced in the month of April 2022.
3. Parent Company has entered into lease agreement on BOO basis for supply of Hydrogen and Nitrogen gas to Barauni Refinery for a period of 20 years. IOCL has sub leased the land for the construction of the plant. Lease will commence once plant is commissioned.
4. Parent Company has paid Advance Upfront Premium of ₹ 71.89 crore to CIDCO for land for 3 Retail outlets at Mumbai for the period of 60 years. The agreement is yet to be executed and therefore the amount is lying as Capital Advance and shall form part of ROU Assets once lease is commenced.

NOTES TO FINANCIAL STATEMENTS

NOTE – 37: COMMITMENTS AND CONTINGENCIES (Contd..)

5. Parent Company has paid Advance Upfront Premium of ₹ 13.42 crore to MSRDC for land for 6 Retail outlets at Aurangabad and Nagpur for the period of 30 years. The agreement is yet to be executed and therefore the amount is lying as Capital Advance and shall form part of ROU Assets once lease is commenced.

6. Parent Company has entered into lease agreement for sourcing e-locks from various vendors for a period of 3 years (with an option to extend at the option of IOCL) at rate ranging from ₹ 1050-1300/month and for 1 vendor ₹ 2450/month. As at March 31, 2022, 6215 no's are yet to be supplied. However, the same are low value items.

7. Parent Company has entered into lease agreement with Andhra Pradesh State Civil Supplies for land for 1 Retail Outlet at Vizag for a period of 20 years at an monthly rental of ₹ 20000/- with an increment of 10% in every 3 years. The possession of land is not given and the matter is pending in the court.

8. Parent Company has entered into centralised lease agreement with M/s Trimble for rent payment of ₹ 373/month for VTS software for POL trucks customised to IOCL requirement for a period of 5 years. As at March 31, 2022 total 601 Nos are yet to be installed. However, payment is in the nature of variable lease payment.

9. Parent Company has entered into lease agreement with M/s Geovista, M/s Rosevmerta for VTS software of LPG trucks for a period of 5 years at a rental ranging from ₹ 103-300/month. As at March 31, 2022 lease a total of 5392 nos. of VTS are yet to be installed. However, payment is in the nature of variable lease payment.

10. The Parent Company has amended the lease agreement entered with Adani Ports and Special Economic Zone Limited, for leasing 120 acres of additional developed land at Mundra Port, up to February 16, 2031, for storage facility. Lease will commence when the land is developed by the provider and the rights for same is transferred to IOCL.

(b) As Lessor

(i) **Operating Lease**

The lease rentals recognized as income in these statements as per the rentals stated in the respective agreements:

(₹ in crore)

Particulars	2021-22	2020-21
A. Lease rentals recognized as income during the year	**158.74**	103.06
- Variable Lease	**59.06**	45.62
- Others	**99.68**	57.44

These relate to Land/Buildings subleased for non fuel business, storage tankage facilities for petroleum products, Leave and License model, machinery and office equipments given on lease. Asset class wise details have been presented under Note 2: Property, Plant and Equipments.

Maturity Analysis of Undiscounted Lease Payments to be received after the reporting date

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Less than one year	**85.82**	61.94
One to two years	**73.94**	56.42
Two to three year	**71.03**	45.26
Three to four years	**44.10**	40.64
Four to five years	**2.86**	13.81
More than five years	**0.44**	1.22
Total	**278.19**	**219.29**

NOTES TO FINANCIAL STATEMENTS

NOTE – 37: COMMITMENTS AND CONTINGENCIES (Contd..)

(ii) **Finance Lease**

The Group has entered into the following material finance lease arrangements:

(i) Parent Company has entered into Lease Agreement with Indian Railways in respect of BTPN Tank Wagons for a minimum period of 20 years. The lease rentals from the date of formation of rake are @ 16% for the first 10 years and thereafter at the nominal rate of 1% of the cost.

(ii) Parent Company has subleased Telematics Equipments to its Fleet Customers. IOCL has classified the sub lease as a finance lease, because the sub-lease is for the whole of the remaining term of the head lease.

(iii) Parent Company has entered into sublease arrangement of Office Space to PCRA for a period of 3 years. The same has been classified as finance lease as the sub-lease is for the whole of the remaining term of the head lease.

(iv) Parent Company has entered into arrangement with Chandigarh administration for subleasing LPG Godowns to LPG Distributors for a period of 15 years. The same has been classified as finance lease as the sub-lease is for the whole of the remaining term of the head lease.

(v) Parent Company has entered into a lease agreement with Indian Synthetic Rubber Private Limited in which the Company has leased out land for one time upfront payment of ₹ 16.65 crore

(vi) Parent Company has subleased certain Office Premises to IHB Limited.

Lease income from lease contracts in which the Group acts as a lessor is as below:-

(₹ in crore)

Particulars	2021-22	2020-21
Selling Profit and Loss	**0.58**	0.13
Finance income on the net investment in the lease	**0.28**	0.13

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Gross Investments in Finance Lease	**123.96**	120.51
Less: Unearned Finance Income	**0.12**	0.27
Less: Finance Income Received	**40.68**	40.36
Less: Minimum Lease payment received	**79.82**	75.82
Net Investment in Finance Lease as on Date	**3.34**	**4.06**
Opening Net Investment in Finance Lease	**4.06**	**65.77**
Add: New Leases added during the year	**3.08**	4.44
Less: PV of Minimum Lease payment received during the year	**3.80**	1.41
Less: Adjustments during the year	**-**	64.74
Closing Net Investment in Finance Lease	**3.34**	**4.06**

Maturity Analysis of Undiscounted Lease Payments to be received after the reporting date

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Less than one year	**2.61**	2.30
One to two years	**0.85**	1.55
Two to three year	**-**	0.48
Three to four years	**-**	-
Four to five years	**-**	-

NOTES TO FINANCIAL STATEMENTS

NOTE – 37: COMMITMENTS AND CONTINGENCIES (Contd..)

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
More than five years	-	-
Total Undiscounted Lease Payment	**3.46**	**4.33**
Less: Unearned finance Income	**0.12**	0.27
Net Investment in Finance Lease as on date	**3.34**	**4.06**

B. Contingent Liabilities

B.1 Claims against the Group not acknowledged as debt

Claims against the Group not acknowledged as debt amounting to **₹ 8,695.07 crore** (2021: ₹ 8,587.36 crore) are as under:

B.1.1 **₹ 51.69 crore** (2021: ₹ 75.76 crore) being the demands raised by the Central Excise /Customs/ Service Tax Authorities including interest of **₹ 18.93 crore** (2021: ₹ 33.43 crore.)

B.1.2 **₹ 40.21 crore** (2021: ₹ 42.81 crore) in respect of demands for Entry Tax from State Governments including interest of **₹ 8.62 crore** (2021: ₹ 8.61 crore).

B.1.3 **₹ 1,985.23 crore** (2021: ₹ 2,415.13 crore) being the demands raised by the VAT/ Sales Tax Authorities including interest of **₹ 786.26 crore** (2021: ₹ 848.96 crore).

B.1.4 **₹ 2,318.42 crore** (2021: ₹ 1,885.91 crore) in respect of Income Tax demands including interest of **₹ 113.34 crore** (2021: ₹ 80.15 crore).

B.1.5 **₹ 3,914.06 crore** (2021: ₹ 3,866.61 crore) including **₹ 3,327.03 crore** (2021: ₹ 3,179.83 crore) on account of Projects for which suits have been filed in the Courts or cases are lying with Arbitrator. This includes interest of **₹ 95.00 crore** (2021: ₹ 118.3 crore).

B.1.6 **₹ 385.46 crore** (2021: ₹ 301.14 crore) in respect of other claims including interest of **₹ 42.71 crore** (2021: ₹ 26.39 crore).

The Group has not considered those disputed demands/claims as contingent liabilities, for which, the outflow of resources has been considered as remote. Contingent liabilities in respect of joint operations are disclosed in Note 34.

B.2 Other money for which the Group is Contingently Liable

B.2.1 Pending decision of the Government, no liability could be determined and provided for in respect of additional compensation, if any, payable to the land owners and the Government for certain lands acquired.

B.2.2 As on 31.03.2022 Parent Company has contingent liability of **₹ 236.85 crore** (2021: Nil) towards custom duty for capital goods imported under Manufacturing & Other operation in Warehouse Regulation (MOOWR) scheme against which Parent Company has executed and utilised bond amounting to **₹ 710.54 crore** (2021: Nil) which represents three times of the custom duty. The firm liability towards such custom duty shall be contingent upon conditions (Rate of custom duty/decision of Parent Company to export, etc) at the time of filing of ex-bond bill of entry at the time of disposal.

C. COMMITMENTS

C.1 Capital Commitments

Estimated amount of contracts remaining to be executed on Capital Account and thus not provided for **₹ 53,302.04 crore** (2021: ₹ 30,990.14 crore) inclusive of taxes.

C.2 Other Commitments

C.2.1 The Group has an export obligation to the extent of **₹ 147.02 crore** (2021: ₹ 147.02 crore) on account of concessional rate of duty availed under EPCG license scheme on procurement of capital goods and the same is expected to be fulfilled by way of exports.

C.2.2 Estimated amount of commitments in respect of CY-ONHP-2018/1 block is **₹ 146.83 crore** (2021: ₹ 141.64 crore). Commitments in respect of Joint Operations are disclosed in Note 34.

C.2.3 The Group has issued Corporate Guarantee, on behalf of IndianOil Adani Gas Private Limited (IOAGPL), to the extent of obligations of later company under Performance Bank Guarantee facility provided to IOAGPL by State Bank of India, Canara Bank, Bank of Baroda, Indian Bank, IndusInd Bank, Jammu and Kashmir Bank, Axis Bank and ICICI Bank. The Group's share of such obligation is estimated at **₹ 3,533.46 crore** (2021: ₹ 3,533.46 crore).

NOTES TO FINANCIAL STATEMENTS

NOTE – 37: COMMITMENTS AND CONTINGENCIES (Contd..)

C.2.4 The Group has issued Parent Company Guarantee in favor of Abu Dabhi National Oil Company, on behalf of Urja Bharat Pte. Ltd., Singapore (a joint venture company of Company's subsidiary i.e. IOCL Singapore Pte Ltd) to fulfill the joint venture Company's future obligations of payment and performance of Minimum Work Programme. The total amount sanctioned by the Board of Directors is USD 89.7 Million. The estimated amount of such obligation (net of amount paid) is **₹ 395.66 crore - USD 52.20 million** (2021: ₹ 418.22 crore - USD 57.20 million).

C.2.5 The Group has entered into Signature Bonus Agreement with Republic of Venezuela payable on achievement of various project timelines. The estimated amount of such obligation is at **₹ 431.01 crore** (2021: ₹ 416.10 crore).

D. Contingent assets

(₹ in crore)

Particulars		March 31, 2022	March 31, 2021
a. In respect of M/s Khazana Projects and Industries (P) Ltd. for the amount of risk & cost claim along with 15% supervision charges admitted by the Arbitrator in favor of the Parent Company.	A	-	3.85
b. In respect of M/s Metro Builders for the amount of risk & cost claim along with 15% supervision charges, price discount and interest admitted by the Arbitrator in favor of the Parent Company.		-	7.16
c. In respect of interest claim		**19.50**	-
Total		**19.50**	**11.01**

A. The disclosure as a contingent asset has been discontinued, based on reassessment of the realisablity of this claim in the current year.

NOTE – 38: RELATED PARTY DISCLOSURES

As required by Ind-AS -24 "Related Party Disclosures", are given below :

1. Relationship with Entities

A) Details of Joint Ventures (JV) / Associate Entities to IOCL & its subsidiaries

1) Indian Oiltanking Limited	22) Hindustan Urvarak & Rasayan Limited
2) Lubrizol India Private Limited	23) Ratnagiri Refinery & Petrochemicals Limited
3) Petronet VK Limited	24) Indradhanush Gas Grid Limited
4) IndianOil Petronas Private Limited	25) Ujjwala Plus Foundation
5) Avi-Oil India Private Limited	26) IHB Limited
6) Petronet India Limited *	27) IndianOil Total Private Limited
7) Petronet LNG Limited	28) IOC Phinergy Private Limited
8) Green Gas Limited	29) Paradeep Plastic Park Limited ##
9) Petronet CI Limited @	30) Indian Additives Limited
10) IndianOil LNG Private Limited	31) National Aromatics & Petrochemicals Corporation Limited
11) IndianOil SkyTanking Private Limited	32) Taas India PTE Limited
12) Suntera Nigeria 205 Limited	33) Vankor India PTE Limited
13) Delhi Aviation Fuel Facility Private Limited	34) Ceylon Petroleum Storage Terminals Limited
14) Indian Synthetic Rubber Private Limited	35) Falcon Oil & Gas B.V.
15) Indian Oil Ruchi Biofuels LLP #	36) Urja Bharat PTE Limited
16) NPCIL- IndianOil Nuclear Energy Corporation Limited	37) Beximco IOC Petroleum and Energy Limited
17) GSPL India Transco Limited	38) INDOIL Netherlands B.V.
18) GSPL India Gasnet Limited	39) LLC Bharat Energy Office (Incorporated on 18.10.2021)
19) IndianOil - Adani Gas Private Limited	40) Trinco Petroleum Terminal (Private) Limited (Incorporated on 24.12.2021)
20) Mumbai Aviation Fuel Farm Facility Private Limited	41) Mer Rouge Oil Storage Terminal Limited
21) Kochi Salem Pipeline Private Limited	

NOTES TO FINANCIAL STATEMENTS

NOTE – 38: RELATED PARTY DISCLOSURES (Contd..)

B) Details of Subsidiaries to JV's of IOCL

1) IOT Engineering & Construction Services Limited	9) IOT VITO MUHENDISLIK INSAAT VE TAAHUT A.S.
2) Stewarts and Lloyds of India Limited	10) IndianOil Skytanking Delhi Private Limited
3) IOT Infrastructures Private Limited	11) IOT Biogas Private Limited
4) IOT Utkal Energy Services Limited	12) Petronet LNG Foundation
5) PT IOT EPC Indonesia	13) Petronet Energy Limited
6) IOT Engineering Projects Limited	14) KazakhstanCaspishelf India Private Limited
7) JSC KazakhstanCaspishelf	15) Petronet LNG Singapore PTE. Limited (Incorporated on 07.03.2022)
8) Indian Oiltanking Engineering & Construction Services LLC Oman	

* Petronet India Limited is a JV amongst Indian Oil, BPCL, HPCL, RIL, NEL, IL&FS, SBI and ICICI. The company is under winding up and the matter is pending with Official Liquidator since 2018.

@ Petronet CI Ltd. is a JV amongst Indian Oil, PIL, RIL, NEL and BPCL. The company is under winding up and the matter is pending with Official Liquidator since 2006.

IndianOil has exited the Joint Venture, IndianOil Ruchi Biofuels LLP (M/s IORB) by giving notice of its exit from the LLP to the other JV partner viz. Ruchi Soya Industries Limited (M/s Ruchi) as well as to the LLP on December 26, 2018 stating that it will exit the LLP w.e.f. January 25, 2019. The time frame for completing exit formalities by M/s Ruchi by filing requisite forms with ROC was within 30 days of notice expiry period (i.e., by February 24, 2019) but the same is still pending and IndianOil name is appearing on ROC website as Partner in the said LLP. It has been informed that M/s Ruchi was under Corporate Insolvency Resolution Process and has been taken over by Patanjali Ayurveda Limited and for the purpose of carrying out the process of liquidation, M/s. Sanatan has been inducted as the new partner in place of Indian Oil. All necessary documents have been provided to M/s Ruchi for completing formalities relating to exit of IndianOil from IORB LLP.

IndianOil has made equity contribution towards acquisition of 49% stake in Paradeep Plastic Park Limited during the month of January 2022.

C) The following transactions were carried out with the related parties in the ordinary course of business:

(₹ in crore)

	Particulars	March 31, 2022	March 31, 2021
1	**Sales of Products / Services**	**3,632.63**	2,004.13
	[Includes sales to IndianOil Petronas Private Limited **₹ 2,422.77 crore** (2021: ₹ 1,325.16 crore) and Indian Synthetic Rubber Private Limited **₹ 698.88 crore** (2021: ₹ 322.55 crore)]		
2	**Interest received**	**280.97**	93.17
	[Includes interest received from IndianOil LNG Private Limited **₹ 273.04 crore** (2021: ₹ 81.88 crore) and Petronet VK Limited **₹ 6.94 crore** (2021: ₹ 9.64 crore)]		
3	**Other Operating Revenue/ Other Income**	**890.33**	872.53
	[Includes Other Operating Revenue / Other Income from Vankor India PTE Limited **₹ 324.51 crore** (2021: ₹ 447.55 crore), Taas India PTE Limited **₹ 244.63 crore** (2021: ₹ 129.83 crore), Petronet LNG Limited **₹ 202.61 crore** (2021: ₹ 287.33 crore), IndianOil Petronas Private Limited **₹ 148.15 crore** (2021: ₹ 141.52 crore), Indian Synthetic Rubber Private Limited **₹ 145.32 crore** (2021: ₹ 57.19 crore) and Falcon Oil & Gas BV **₹ 111.75 crore** (2021: ₹ 182.51 crore)]		
4	**Purchase of Products**	**8,177.66**	5,160.37
	[Includes Purchase of Products from Petronet LNG Limited **₹ 7,344.38 crore** (2021: ₹ 3,963.39 crore) and Falcon Oil & Gas BV- **Nil** (2021: ₹ 685.66 crore)]		
5	**Purchase of Raw Materials/ Others**	**7,325.55**	3,980.99
	[Includes Purchase of Raw Materials/Others from Petronet LNG Limited **₹ 4,755.41 crore** (2021: ₹ 3,638.75 crore) and Falcon Oil & Gas B.V. **₹ 2,156.52 crore** (2021:Nil)]		
6	**Interest paid**	**229.62**	249.97
	[Includes Interest paid to IOT Utkal Energy Services Limited **₹ 229.62 crore** (2021: ₹ 249.97 crore)]		
7	**Expenses Paid/ (Recovered) (Net)**	**796.05**	712.19
	[Includes Expenses Paid to/ (Recovered) from IndianOil Petronas Private Limited **₹ 379.21 crore** (2021: ₹ 355.17 crore), IndianOil Sky Tanking Private Limited **₹ 162.86 crore** (2021: ₹ 141.42 crore) and Indian Oiltanking Ltd **₹ 106.61 crore** (2021: ₹ 110.15 crore)]		

NOTES TO FINANCIAL STATEMENTS

NOTE – 38: RELATED PARTY DISCLOSURES (Contd..)

(₹ in crore)

	Particulars	March 31, 2022	March 31, 2021
8	**Investments made/ (sold) during the year (Incl. Advance for Investment)**	**1,902.85**	4,629.97
	[Includes Investment made in IndianOil LNG Private Limited **Nil** (2021: ₹ 3,012.00 crore), IHB Limited **₹ 700.00 crore** (2021: ₹ 776.50 crore), Hindustan Urvarak and Rasayan Limited **₹ 497.65 crore** (2021: ₹ 380.68 crore), Kochi Salem Pipelines Private Limited **₹ 267.50 crore** (2021: ₹ 50.00 crore) and Indian Oil Adani Gas Private Limited **₹ 198.94 crore** (2021: ₹ 163.88 crore)]		
9	**Purchase/(Sale)/Acquisition of Fixed Assets (Incl. CWIP/ Leases)**	**(2.05)**	(1.56)
	[Includes Purchase/ (Sale)/ Acquisition/ (Recovered) of Fixed Assets incl. CWIP/ Leases from IHB Limited **₹ (2.06) crore** (2021: ₹ (1.34) crore) and IOT Engineering & Construction Services Limited- **Nil** (2021: ₹ (0.28) crore)]		
10	**Provisions made/ (write back) during the year**	**144.19**	5.93
	[Includes Provision made / (written back) in INDOIL Netherlands B.V.- **Nil** (2021: ₹ 7.03 crore), Petronet VK Limited **₹ 110.90 crore** (2021:Nil) and GSPL India Transco Limited **₹ 33.29 crore** (2021:Nil)]		
11	**Outstanding Receivables/ Loans**	**1,847.29**	1,381.85
	[Includes Outstanding Receivables/ Loans from IndianOil LNG Private Limited **₹ 826.53 crore** (2021: ₹ 500.66 crore), Petronet LNG Limited **₹ 273.62 crore** (2021: ₹ 297.15 crore), Suntera Nigeria 205 Limited **₹ 164.04 crore** (2021: ₹ 158.23 crore) and Indian Synthetic Rubber Private Limited **₹ 207.63 crore** (2021: ₹ 99.19 crore)]		
12	**Outstanding Payables (Incl. Lease Obligation)**	**2,943.85**	3,183.23
	[Includes Outstanding payable to IOT Utkal Energy Services Limited **₹ 2,137.88 crore** (2021: ₹ 2,321.57 crore) and Petronet LNG Limited **₹ 612.67 crore** (2021: ₹ 533.88 crore)]		
13	**Investments in JV/ Associates as on date**	**17,443.25**	16,261.19
14	**Guarantees**		
	Financial Guarantees	**134.54**	217.51
	[Includes Financial Guarantees given to Indian Synthetic Rubber Private Limited **₹ 134.54 crore** (2021: ₹ 217.51 crore)]		

Notes:

1) Transactions in excess of 10% of the total related party transactions for each type has been disclosed above.
2) In case of Joint Venture/ Subsidiary Companies constituted/acquired during the period, transactions w.e.f. date of constitution / acquisition is disclosed.
3) In case of Joint Venture / Subsidiary Companies which have been closed/divested during the period, transactions up to the date of closure / disinvestment only are disclosed.

2. Government related entities where significant transactions carried out

Apart from transactions reported above, the Group has transactions with other Government related entities, which includes but not limited to the following:

Name of Government: Government of India (Central and State Government)

Nature of Transactions:
- Sale of Products and Services
- Purchase of Products
- Purchase of Raw Materials
- Handling and Freight Charges, etc.

These transactions are conducted in the ordinary course of the Group's business on terms comparable to those with other entities that are not Government-related.

NOTES TO FINANCIAL STATEMENTS

NOTE – 38: RELATED PARTY DISCLOSURES (Contd..)

3) Key Managerial Personnel

A. Whole Time Directors/ Company Secretary	B. Independent Directors	C. Government Nominee Directors
1) Shri S. M. Vaidya	1) Shri Rajendra Arlekar (upto 10.07.2021)	1) Smt Indrani Kaushal (upto 24.09.2021)
2) Shri G. K. Satish (upto 31.08.2021)	2) Ms. Lata Usendi	2) Dr. Navneet Mohan Kothari
3) Dr S. S. V. Ramakumar	3) Shri Dilip Gogoi Lalung (w.e.f. 24.11.2021)	
4) Shri Ranjan Kumar Mohapatra	4) Dr. Ashutosh Pant (w.e.f. 24.11.2021)	
5) Shri S. K. Gupta	5) Dr. Dattatreya Rao Sirpurker (w.e.f. 24.11.2021)	
6) Shri V. Satish Kumar (w.e.f. 28.10.2021)	6) Shri Prasenjit Biswas (w.e.f. 24.11.2021)	
7) Shri D.S. Nanaware (w.e.f. 28.12.2021)	7) Shri Sudipta Kumar Ray (w.e.f. 24.11.2021)	
8) Ms. Sukla Mistry (w.e.f. 07.02.2022)	8) Shri Krishnan Sadagopan (w.e.f. 24.11.2021)	
9) Shri Sujoy Choudhury (w.e.f. 23.02.2022)		
10) Shri Kamal Kumar Gwalani		

D) Details relating to the personnel referred to in Item No. 3A & 3B above:

March 31, 2022

(₹ in crore)

Key Managerial Personnel	Short-Term Employee Benefits	Post Employment Benefits	Other Long Term Benefits	Total Remuneration	Sitting Fees	Outstanding Loans (Gross)/ Advance Receivables
A. Whole Time Directors/ Company Secretary						
1) Shri S. M. Vaidya	**0.61**	**0.08**	**0.01**	**0.70**	**-**	**0.01**
2) Shri G. K. Satish	**0.38**	**0.73**	**0.10**	**1.21**	**-**	**-**
3) Dr S. S. V. Ramakumar	**0.71**	**0.08**	**-**	**0.79**	**-**	**0.01**
4) Shri Ranjan Kumar Mohapatra	**0.70**	**0.08**	**0.10**	**0.88**	**-**	**0.01**
5) Shri S. K. Gupta	**0.64**	**0.08**	**-**	**0.72**	**-**	**-**
6) Shri V. Satish Kumar	**0.19**	**0.03**	**-**	**0.22**	**-**	**0.06**
7) Shri D.S. Nanaware	**0.13**	**0.02**	**-**	**0.15**	**-**	**0.02**
8) Ms. Sukla Mistry	**0.07**	**0.01**	**0.01**	**0.09**	**-**	**0.09**
9) Shri Sujoy Choudhury	**0.05**	**0.01**	**-**	**0.06**	**-**	**0.13**
10) Shri Kamal Kumar Gwalani	**0.62**	**0.07**	**-**	**0.69**	**-**	**0.18**
B. Independent Directors						
1) Shri Rajendra Arlekar	**-**	**-**	**-**	**-**	**0.03**	**-**
2) Ms Lata Usendi	**-**	**-**	**-**	**-**	**0.10**	**-**
3) Shri Dilip Gogoi Lalung	**-**	**-**	**-**	**-**	**0.02**	**-**
4) Dr. Ashutosh Pant	**-**	**-**	**-**	**-**	**0.02**	**-**
5) Dr. Dattatreya Rao Sirpurker	**-**	**-**	**-**	**-**	**0.03**	**-**
6) Shri Prasenjit Biswas	**-**	**-**	**-**	**-**	**0.03**	**-**
7) Shri Sudipta Kumar Ray	**-**	**-**	**-**	**-**	**0.03**	**-**
8) Shri Krishnan Sadagopan	**-**	**-**	**-**	**-**	**0.03**	**-**
TOTAL	**4.10**	**1.19**	**0.22**	**5.51**	**0.30**	**0.51**

NOTES TO FINANCIAL STATEMENTS

NOTE – 38: RELATED PARTY DISCLOSURES (Contd..)

March 31, 2021

(₹ in crore)

Key Managerial Personnel	Short-Term Employee Benefits	Post Employment Benefits	Other Long Term Benefits	Total Remuneration	Sitting Fees	Outstanding Loans (Gross)/ Advance Receivables
A. Whole Time Directors/ Company Secretary						
1) Shri S. M. Vaidya	0.45	0.09	0.08	0.62	-	0.01
2) Shri G. K. Satish	0.47	0.09	0.16	0.72	-	-
3) Dr S. S. V. Ramakumar	0.55	0.09	0.08	0.72	-	0.01
4) Shri Ranjan Kumar Mohapatra	0.46	0.08	0.08	0.62	-	0.02
5) Shri S. K. Gupta	0.47	0.08	0.08	0.63	-	-
6) Shri Kamal Kumar Gwalani	0.47	0.08	0.06	0.61	-	0.19
B. Independent Directors						
1) Shri Rajendra Arlekar	-	-	-	-	0.10	-
2) Ms Lata Usendi	-	-	-	-	0.07	-
TOTAL	**2.87**	**0.51**	**0.54**	**3.92**	**0.17**	**0.23**

Notes :

1) This does not include the impact of provision made on actuarial valuation of retirement benefit/ long term Schemes and provision made during the period towards Post Retirement Benefits as the same are not separately ascertainable for individual directors.

2) There were no Share Based Employee Benefits given to KMPs during the period.

3) In addition, whole-time Directors are also allowed the use of Corporation's car for private purposes up to 12,000 kms. per annum on a payment of ₹ 2,000/- per mensem.

4) Relatives of Key Managerial Personnel and nature of relation with whom transactions are undertaken during the year:

1) Shri Siddharth Vaidya (Senior Production Engineer, Indian Oil Corporation Limited): Son of Key Managerial Personnel

(₹ in crore)

Details relating to the parties referred above:	March 31, 2022	March 31, 2021
1 Remuneration		
Shri Siddharth Shrikant Vaidya ^	**0.20**	0.15
2 Outstanding Receivables/ Loans		
Shri Siddharth Shrikant Vaidya ^	**-**	-

^ Remuneration and Loan balances for relative of KMP is reported for the period of tenure of KMP.

NOTES TO FINANCIAL STATEMENTS

NOTE – 38: RELATED PARTY DISCLOSURES (Contd..)

5) Trusts

Transactions with Post Employment Benefit Plans managed through separate trust

(₹ in crore)

	Name of the Trust	Post Employment Benefit Plan	March 31, 2022		March 31, 2021	
			Contribution by employer	Outstanding Receivable/ (Payable)	Contribution by employer	Outstanding Receivable/ (Payable)
1	IOCL (Refinery Division) Employees Provident Fund*	Provident Fund	232.59	111.08	237.27	82.50
2	Indian Oil Corporation Limited (Assam Oil Division) Employees Provident Fund	Provident Fund	18.16	(17.12)	21.35	38.10
3	Provident Fund for the Employees of Indian Oil Corporation Limited (Marketing Division)*	Provident Fund	239.42	95.47	246.47	168.24
4	IOCL Employees Superannuation Benefit Fund	Pension Scheme	191.13	(50.64)	164.06	33.42
5	IOCL Employees Post Retirement Medical Benefit Fund	Post Retirement Medical Scheme	401.42	(43.14)	746.56	(241.05)
6	IOCL Employees Group Gratuity Trust	Gratuity	(3.77)	115.16	528.93	3.74
7	CPCL Employees Provident Fund	Provident Fund	24.05	2.00	28.25	2.00
8	CPCL Employees Superannuation Benefit Fund	Pension Scheme	11.52	-	11.05	-
9	CPCL Employees Group Gratuity Trust	Gratuity	23.59	-	14.28	26.43
10	CPCL Post Retirement Medical Benefit Trust	PRMB	8.17	-	41.68	11.55

Transactions with CPCL Educational Trust

(₹ in crore)

	Type of Transactions	March 31, 2022	March 31, 2021
1	CSR Expenses	-	0.30

*Includes **₹ 254.21 crore** (2021: ₹ 335.00 crore) advance given to PF Trust in FY 2020-21 as per acturial valuation towards interest shortfall/losses against which provision for probable contingencies to the tune of **₹ 363.10 crore** (2021: ₹ 262.26 crore) crore has been provided for in books (Refer Note 36).

NOTES TO FINANCIAL STATEMENTS

NOTE - 39: SEGMENT INFORMATION

Operating Segment Reporting as per Ind-AS 108 for the period ended March 31, 2022 is as under:

(₹ in crore)

Particulars	2021-2022					2020-2021				
	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total
Revenue										
External Revenue	6,84,635.84	28,091.37	24,003.63	-	7,36,730.84	4,88,313.68	19,149.78	12,773.38	-	5,20,236.84
Inter-segment Revenue	17,573.65	38.02	79.61	(17,691.28)	-	8,516.35	19.31	68.19	(8,603.85)	-
Total Revenue	7,02,209.49	28,129.39	24,083.24	(17,691.28)	7,36,730.84	4,96,830.03	19,169.09	12,841.57	(8,603.85)	5,20,236.84
Result										
Segment Results excluding Exchange Gain/(Loss)	30,417.69	4,666.52	1,767.72	-	36,851.93	24,904.18	5,218.82	(317.27)	-	29,805.73
Segmental Exchange Gain/(Loss)	(1,241.82)	18.94	26.51	-	(1,196.37)	666.56	(0.56)	23.09	-	689.09
Segment Results	29,175.87	4,685.46	1,794.23	-	35,655.56	25,570.74	5,218.26	(294.18)	-	30,494.82
Less: Unallocable Expenditure										
- Finance Cost					5,423.26					3,589.12
- Impairment Loss on Financial Assets - Pertaining to Investment					5.55					-
- Loss on sale and disposal of Assets					-					136.50
- Exchange Loss - (Net)					255.91					-
- Fair value Loss on Financial instruments classified as FVTPL					-					27.64
Add: Unallocable Income										
- Interest and Dividend Income					2,992.24					2,094.52
- Profit on Sale of Investments (Net)					-					1.84
- Provision for diminution in Investments written back (Net)					-					1.99
- Profit on sale and disposal of Assets					11.97					-
- Exchange Gain - (Net)					-					568.53
- Gain on Derivatives					68.00					140.87
- Fair value gain on Financial instruments classified as FVTPL					6.12					-
- Other non operating income					3.89					4.69
- Share of Profit in Joint Venture and Associates					1,235.56					1,196.73
Profit Before Tax					34,288.62					30,750.73
Less: Income Tax (including deferred tax)					8,562.02					8,988.51
Profit After Tax					25,726.60					21,762.22

1. The Company is engaged in the following business segments:
   a) Sale of Petroleum Products
   b) Sale of Petrochemicals
   c) Other operating segment of the Corporation comprises; Gas, Oil & Gas Exploration Activities, Explosives & Cryogenic Business and Wind Mill & Solar Power Generation.

Segments have been identified and reported taking into account, the nature of products and services and differing risks and returns.

2. Segment Revenue comprises of the following:
   a) Turnover (Inclusive of Excise Duties)
   b) Net Claim/(Surrender) of SSC
   c) Subsidy / Grants received from Governments
   d) Other Operating Revenue
3. Inter segment pricing are at Arm's length basis
4. There are no reportable geographical segments.

NOTES TO FINANCIAL STATEMENTS

NOTE - 39: SEGMENT INFORMATION (Contd..)

Other Information

(₹ in crore)

Particulars	March 31, 2022					March 31, 2021				
	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total
Segment Assets	**3,01,551.76**	**26,330.35**	**22,469.41**		**3,50,351.52**	2,62,804.15	21,734.13	18,610.22		3,03,148.50
Corporate Assets										
Investments (Current and Non Current)					**52,351.96**					44,716.82
Advances For Investments					**2,276.85**					1,460.64
Advance Tax					**2,819.51**					2,479.91
Interest Accrued On Investments/ Bank Deposits					**0.03**					0.10
Loans					**2,743.88**					3,059.72
Derivative Asset					**76.72**					45.13
Finance Lease Receivables					**3.34**					4.06
Total Assets					**4,10,623.81**					**3,54,914.88**
Segment Liabilities	**1,22,827.62**	**945.22**	**3,418.34**		**1,27,191.18**	1,05,453.64	847.13	2,867.63		1,09,168.40
Corporate Liabilities										
Liability for Dividend					**-**					1,260.79
Provision For Taxation					**619.31**					802.52
Borrowings (Short Term and Long Term)					**1,23,550.10**					1,08,926.28
Lease Obligations (Short Term and Long Term)					**8,469.49**					7,722.78
Deferred Tax Liability					**15,354.37**					13,964.47
Interest Accrued But Not Due On Borrowings					**5.94**					4.04
Derivative Liabiliies					**307.81**					252.65
Total Liabilities					**2,75,498.20**					**2,42,101.93**
Capital Employed										
Segment Wise	**1,78,724.14**	**25,385.13**	**19,051.07**		**2,23,160.34**	1,57,350.51	20,887.00	15,742.59		1,93,980.10
Corporate					**(88,034.73)**					(81,167.15)
Total Capital Employed					**1,35,125.61**					**1,12,812.95**
Capital Expenditure	**23,166.40**	**1,695.91**	**2,609.86**	**-**	**27,472.17**	21,055.86	2,071.48	2,695.46	-	25,822.80
Depreciation and Amortization	**10,428.91**	**883.72**	**1,034.95**	**-**	**12,347.58**	9,273.44	918.02	749.99	-	10,941.45

Geographical information

(₹ in crore)

	Revenue from external customers		Non-current assets	
	2021-2022	2020-2021	2021-2022	2020-2021
India	**6,95,998.28**	4,98,501.23	**2,11,188.39**	1,94,492.40
Outside India	**40,732.56**	21,735.61	**16,820.26**	16,744.14
Total	**7,36,730.84**	**5,20,236.84**	**2,28,008.65**	**2,11,236.54**

Revenue from major products and services

(₹ in crore)

	2021-2022	2020-2021
Motor Spirit (MS)	**1,60,005.24**	1,12,706.72
High Speed Diesel (HSD)	**3,43,864.73**	2,60,139.23
Superior Kerosene Oil (SKO)	**6,962.64**	4,502.41
Liquified Petroleum Gas (LPG)	**93,492.18**	64,124.29
Aviation Turbine Fuel (ATF)	**22,586.32**	9,550.30
Others	**1,09,819.73**	69,213.90
Total External Revenue	**7,36,730.84**	**5,20,236.84**

NOTES TO FINANCIAL STATEMENTS

NOTE - 40: FAIR VALUE MEASUREMENT

I. Set out below, is a comparison by class of the carrying value and fair value of the Group's financial instruments, along with the fair value measurement hierarchy:

(₹ in crore)

	Carrying Value		Fair Value		Fair Value measurement hierarchy level
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	
FINANCIAL ASSETS					
A. Fair Value through Other Comprehensive Income (FVTOCI):					
Quoted Equity Shares	**19,216.09**	12,332.08	**19,216.09**	12,332.08	Level 1
Unquoted Equity Instrument	**1,511.25**	1,629.82	**1,511.25**	1,629.82	Level 3
Quoted Government Securities	**11,596.67**	11,883.53	**11,596.67**	11,883.53	Level 1
Hedging derivatives					
Commodity forward contracts-Margin Hedging	**2.97**	17.12	**2.97**	17.12	Level 2
Interest Rate Swap	**53.15**	5.35	**53.15**	5.35	Level 2
B. Fair Value through Profit and Loss (FVTPL):					
Derivative Instruments at fair value through profit or loss	**20.60**	22.66	**20.60**	22.66	Level 2
Unit Trust Investments	**63.95**	289.02	**63.95**	289.02	Level 1
Investment through PMS	**184.43**	126.30	**184.43**	126.30	Level 1
C. Amortised Cost:					
Loans to employees	**1,473.16**	1,535.80	**1,569.71**	1,703.63	Level 2
PMUY Loan (Refer point 1 of Note-49 for more details)	**791.56**	1,058.43	**845.64**	1,108.88	Level 3
FINANCIAL LIABILITIES					
A. Amortised Cost:					
Non-Convertible Debentures	**15,993.49**	17,863.35	**16,265.13**	17,863.60	Level 2
Term Loans from Oil Industry Development Board (OIDB)	**306.55**	878.87	**315.16**	878.32	Level 2
Foreign Currency Bonds - US Dollars	**8,232.81**	10,228.00	**8,450.17**	11,349.88	Level 1
Foreign Currency Bonds - Singapore Dollars	**-**	2,174.76	**-**	2,268.32	Level 2
Loan from Odisha Government	**1,621.07**	1,291.34	**1,511.85**	1,303.89	Level 2
Term Loan (USD 100 Mn)	**757.98**	731.15	**725.96**	731.06	Level 2
B. Fair Value through Profit and Loss (FVTPL):					
Derivative Instruments at fair value through profit or loss	**245.95**	252.65	**245.95**	252.65	Level 2

NOTES TO FINANCIAL STATEMENTS

NOTE - 40: FAIR VALUE MEASUREMENT (Contd..)

(₹ in crore)

	Carrying Value		Fair Value		Fair Value measurement hierarchy level
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	
C. Fair Value through Other Comprehensive Income (FVTOCI):					
Hedging Derivatives					
Foreign exchange forward contracts- Loans	**42.26**	-	**42.26**	-	Level 2
Commodity forward contracts- Margin Hedging	**19.60**	-	**19.60**	-	Level 2

Note:

The management has assessed that fair values of Trade Receivables, Trade Payables, Cash and Cash Equivalents, Bank Balances & Bank Deposits, Loans (incl. Security Deposits) other than mentioned above, Short Term Borrowings (incl. Current Maturities of Long Term Borrowings), Floating Rate Borrowings, Lease Liabilities, Other Non-Derivative Current/ Non-Current Financial Assets & Other Non-Derivative Current/ Non-Current Financial Liabilities approximate their carrying amounts.

METHODS AND ASSUMPTIONS

The following methods and assumptions were used to estimate the fair values at the reporting date:

A. Level 1 Hierarchy:

(i) **Quoted Equity Shares:** Closing quoted price (unadjusted) in National Stock Exchange of India Limited and Tel Aviv Stock Exchange, Israel

(ii) **Quoted Government Securities:** Closing published price (unadjusted) in Clearing Corporation of India Limited

(iii) **Foreign Currency Bonds - US Dollars:** Closing price (unadjusted) for the specific bond collected from active market

(iv) **Unit Trust Investment/PMS:** Closing NAV for the specific investment available in Trust Bulletin/ Newspaper/PMS

B. Level 2 Hierarchy:

(i) **Derivative Instruments at FVTPL:** Replacement cost quoted by institutions for similar instruments by employing use of market observable inputs.

(ii) **Hedging Derivatives at FVTOCI:** Replacement cost quoted by institutions for similar instruments by employing use of market observable inputs.

(iii) **Loans to employees :** Discounting future cash flows using rates currently available for items on similar terms, credit risk and remaining maturities, adjusted for insignificant unobservable inputs specific to such loan like principal and interest repayments are such that employee get more flexibility in repayment as per the respective loan schemes.

(iv) **Non-Convertible Debentures, Foreign Currency Bonds - Singapore Dollars , Loan from Odisha Government and USD 100 Mn Term Loan:** Discounting future cash flows using rates currently available for items on similar terms, credit risk and remaining maturities (Excluding floating rate borrowings).

(v) **Term Loans from Oil Industry Development Board (OIDB):** Discounting future cash flows using rates currently available for similar type of borrowings (OIDB Borrowing Rate) using exit model as per Ind AS 113.

NOTES TO FINANCIAL STATEMENTS

NOTE - 40: FAIR VALUE MEASUREMENT (Contd..)

C. Level 3 Hierarchy:

(i) **Unquoted Equity Instruments:** Fair values of the unquoted equity shares have been estimated using Market Approach & Income Approach of valuation techniques. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

(ii) **PMUY Loan:** Fair value of PMUY loans is estimated by discounting future cash flows using approximate interest rates applicable on loans given by Banks duly adjusted for significant use of unobservable inputs in estimating the cash flows comprising of specific qualitative and quantitative factors like consumption pattern, assumption of subsidy rate etc.

The significant unobservable inputs used in fair value assessment categorised within Level 3 of the Fair Value Hierarchy together with a quantitative sensitivity analysis as on March 31, 2022 and March 31, 2021 are shown below:

	Description	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
I	**Unquoted Equity Instrument -** Lanzatech New Zealand Limited (Refer Note-4 for Carrying Value)	31.03.22: Income Approach & Market Approach 31.03.21: Income Approach - Option Pricing Model (OPM)	Equity Volatility	31.03.22: 84.1% - 88.1% (86.1%) 31.03.21: 55.9% - 59.9% (57.9%)	1% increase/(decrease) in Discount Rate would result in (decrease)/increase in fair value by: 31.03.22: ₹ (0.10) crore/ ₹ 0.11 crore 31.03.21: ₹ (0.35) crore/ ₹ 0.35 crore
			Expected time to liquidity event	31.03.22: 2 Yrs - 4 Yrs (3 Yrs) 31.03.21: 2 Yrs - 4 Yrs (3 Yrs)	Increase/ (decrease) in 1 year would result in (decrease)/ increase in fair value by: 31.03.22: ₹ (0.83) crore/ ₹ 1.11 crore 31.03.21: ₹ (0.88) crore/ ₹ 1.59 crore
II	**Unquoted Equity Instrument -** Haldia Petrochemicals Limited (Refer Note-4 for Carrying Value)	Market Approach with equal weights to Revenue and EBITDA Multiple	Revenue Multiple	31.03.22: 0.78x - 0.82x (0.80x) 31.03.21: 1.02x - 1.06x (1.04x)	0.01x increase/(decrease) in Revenue Multiple would result in increase/(decrease) in fair value by: 31.03.22: ₹ 5.2 crore/ ₹ (5.2) crore 31.03.21: ₹ 4.5 crore/ ₹ (4.5) crore
			EBITDA multiple	31.03.22: 5.8x - 6.2x (6.0x) 31.03.21: 4.8x - 5.2x (5.0x)	0.1x increase/(decrease) in EBITDA Multiple would result in increase/(decrease) in fair value by: 31.03.22: ₹ 6.6 crore/ ₹ (6.5) crore 31.03.21: ₹ 10.0 crore/ ₹ (10.0) crore
III	**Unquoted Equity Instrument -** Ceylon Petroleum Storage Terminals Limited (Refer Note-4 for Carrying Value)	Market Approach with equal weights to Revenue and EBITDA Multiple	Revenue Multiple	31.03.22: 0.7x - 1.1x (0.9x) 31.03.21: 1.3x - 1.7x (1.5x)	0.1x increase/(decrease) in Revenue Multiple would result in increase/(decrease) in fair value by: 31.03.22: ₹ 6.03 crore/ ₹ (6.03) crore 31.03.21: ₹ 8.26 crore/ ₹ (8.22) crore
			EBITDA multiple	31.03.22: 6.0x - 8.0x (7.0x) 31.03.21: 6.2x - 8.2x (7.2x)	0.5x increase/(decrease) in EBITDA Multiple would result in increase/(decrease) in fair value by: 31.03.22: ₹ 3.75 crore/ ₹ (3.73) crore 31.03.21: ₹ 7.68 crore/ ₹ (7.75) crore
IV	**Unquoted Equity Instrument -** Petrocarababo S.A. and Carabobo Ingenieria Y Construcciones S.A. (Refer Note-4 for Carrying Value)	Income Approach - Present Value Measurement	Discount Rate	31.03.22: 29.0% - 33.0% (31.0%) 31.03.21: 22.5% - 26.5% (24.5%)	1% increase/(decrease) in Discount Rate would result in (decrease)/increase in fair value by: 31.03.22: ₹ (1.89) crore/ ₹ 1.90 crore 31.03.21: ₹ (4.75) crore/ ₹ 5.49 crore

NOTES TO FINANCIAL STATEMENTS

NOTE - 40: FAIR VALUE MEASUREMENT (Contd..)

Unquoted Equity Instruments carried at FVTOCI includes following investments for which sensitivity disclosure is not disclosed:

	Carrying Value (₹ in crore)	
	As at March 31, 2022	As at March 31, 2021
Mer Rouge Oil Storage Terminal Company Limited	**14.57**	5.67
Indian Gas Exchange Limited	**5.85**	-
Trinco Petroleum Terminal Private Limited	**1.28**	-
Woodlands Multispeciality Hospital Limited	**0.10**	0.10
BioTech Consortium India Limited	**0.10**	0.10
International Cooperative Petroleum Association, New York	**0.02**	0.02
MRL Industrial Cooperative Service Society	**0.01**	0.01

Reconciliation of fair value measurement of Assets and Liabilities under Level 3 hierarchy of Fair Value measurement:

Description	FVTOCI Assets Unquoted Equity Shares
Balance as at March 31 2021	**1,629.82**
Addition	14.66
Fair Value Changes	(101.37)
Exchange Difference	(31.86)
Balance as at March 31 2022	**1,511.25**

II. Disclosures relating to recognition of differences between the fair value at initial recognition and the transaction price

In the following cases, the Group has not recognized gains/losses in profit or loss on initial recognition of financial assets/ financial liability, instead, such gains/losses are deferred and recognized as per the accounting policy mentioned below.

Financial Assets

1. **Loan to Employees**

   As per the terms of service, the Group has given long term loan to its employees at concessional interest rate. Transaction price is not fair value because loans are not extended at market rates applicable to employees. Since implied benefit is on the basis of the services rendered by the employee, it is deferred and recognized as employee benefit expense over the loan period.

2. **PMUY loan**

   The PMUY loan is the interest free loan given to PMUY beneficiaries towards cost of burner and 1st refill. The loan is interest free and therefore transaction price is not at fair value. The difference between fair value and transaction price is accumulated in Deferred expenses and amortized over the loan period on straight line basis in the Statement of Profit and Loss.

3. **Security Deposits**

   The security deposit is paid to landlord in relation to lease of land. The security deposit is interest free and therefore transaction price is not fair value.The difference between fair value and transaction price is accumulated in Deferred expenses and amortized over the loan period on straight line basis in the statement of Profit and loss till March 31, 2019 prior to introduction of IND AS 116.

NOTES TO FINANCIAL STATEMENTS

NOTE - 40: FAIR VALUE MEASUREMENT (Contd..)

Financial Liabilities

1. **Security Deposits**

   In case certain deposits payable to deceased employees under R2 option and security deposits received in relation to some revenue expenses contracts, transaction price is not considered as fair value because deposits are interest free. The difference between fair value and transaction price is accumulated in Deferred income and amortized over the tenure of security deposit on straight line basis in the Statement of Profit and Loss.

   Reconciliation of deferred gains/losses yet to be recognized in the Statement of Profit and Loss are as under:

(₹ in crore)

Particulars	Opening Balance	Addition During the Year	Amortized During the Year	Adjusted During the Year	Closing Balance
2021-22					
Deferred Expenses (Refer Note 8)					
Loan to employees	**687.95**	222.50	52.48	-	**857.97**
PMUY Loan	**376.50**	-	98.97	4.32	**273.21**
Security Deposits	**1.31**	-	0.22	-	**1.09**
Deferred Income (Refer Note 20)					
Security Deposits	**4.52**	-	0.82	-	**3.70**
2020-21					
Deferred Expenses (Refer Note 8)					
Loan to employees	**707.52**	28.85	48.42	-	**687.95**
PMUY Loan	**647.55**	-	209.52	61.53	**376.50**
Security Deposits	**1.34**	-	0.03	-	**1.31**
Deferred Income (Refer Note 20)					
Security Deposits	**5.61**	-	1.09	-	**4.52**

NOTE – 41: FINANCIAL INSTRUMENTS AND RISK FACTORS

Financial Risk Factors

The Group's principal financial liabilities, other than derivatives, comprise Borrowings, trade and other payables, security deposits, employee liabilities and lease obligation. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans & advances, trade and other receivables, short-term deposits and cash / cash equivalents that derive directly from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

The Group is exposed to a number of different financial risks arising from natural business exposures as well as its use of financial instruments including market risk relating to interest rate, commodity prices, foreign currency exchange rates and equity price, credit risk and liquidity risk.

The Risk Management Commitee comprised of senior management oversees the management of these risks. The Group's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Group. The Risk Management Committee provides assurance to the Board that the Group's risks are governed by appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Group's policies, risk objectives and risk appetite.

NOTES TO FINANCIAL STATEMENTS

NOTE – 41: FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

The Group's requirement of crude oil are managed through integrated function handled through its international trade and optimization department. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. As per the Group's policy, derivatives contracts are taken only to hedge the various risks that the Group is exposed to and not for speculation purpose.

The Board of Directors oversee the risk management activities for managing each of these risks, which are summarised below:

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The major components of market risk are interest rate risk, foreign currency risk, commodity price risk and other price risk viz. equity shares etc. Financial instruments affected by market risk include Borrowings, Deposits, FVTOCI investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2022 and March 31, 2021.

The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations, provisions, and other non-financial assets and liabilities of foreign operations.

1. Interest Rate Risk

The Group is exposed to interest rate risk from the possibiltiy that changes in interst rates will affect future cash flows of a financial instrument, principally financial debt. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages to maintian a mix between fixed and floating rates for rupee and foreign currency loans, based on liquidity, availability of cost effective instruments and considering the market/ regulatory constraints etc. The Group also use interest rate swap contracts for managing the interest rate risk of floating interest rate debt. As at March 31, 2022, approximately 57% of the Group's borrowings are at a fixed rate of interest (March 31, 2021: 62%).

In 2017 Financial Conduct Authority ("FCA") of UK, the regulator of the LIBOR rates, announced LIBOR benchmark will be phased out after end of December 2021. Subsequently, on 5th March 2021 ICE Benchmark Administrator (IBA), the administrator of the LIBOR rates and FCA formally announced the extension of the last date of publication of USD LIBOR for overnight, one, three, six and twelve month tenors from end of December 2021 to end of June 2023 to accommodate easy transition of existing USD LIBOR based contracts to alternate benchmark. However, the liquidity of SOFR loans in ECB loan market started to develop only towards the fag end of the Year 2021. The Group is not expecting any material financial impact of transition from USD LIBOR to SOFR on its floating rate loans linked to USD LIBOR and associated derivative contracts which are maturing beyond 30th June 2023.

The Group's exposure to LIBOR transition is only in respect of USD LIBOR as IndianOil's entire foreign currency borrowing is US Dollar denominated. IndianOil has been exploring various strategies of transitioning its existing USD LIBOR benchmarked loans into the alternate reference rate, viz., SOFR. IndianOil is the first Corporate in India to tie-up long term USD loan using SOFR as benchmark. Further, IndianOil also went ahead of the curve and transitioned part of existing LIBOR linked loan to SOFR benchmark during FY 2021-22 by refinancing the existing loan. Group has initiated the process of discussion with the existing lenders of the loans for transition.

The table below gives information about financial instruments that have yet to transition to an alternative benchmark rate as at March 31, 2022 :

Particulars	Balances subject to USD LIBOR (₹ in crore)
1. Non-derivative Financial Assets	**Nil**
2. Non-derivative Financial Liabilities	
a) Foreign Currency Loans	**14,010.41**
3. Derivatives	
a) Interest Rate Swap*	**1,515.53**

*Nominal Amount

NOTES TO FINANCIAL STATEMENTS

NOTE – 41: FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

The management is likely to complete the transition exercise of the existing USD LIBOR linked loans before 30th June 2023.

The sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant, on INR and USD floating rate borrowings is per table below. The Group's exposure to interest rate changes for all other currency borrowings is not material.

Currency of Borrowings	Increase/ Decrease in basis points	Effect on profit before tax (₹ in crore)	Increase/ Decrease in basis points	Effect on profit before tax (₹ in crore)
	March 31, 2022		March 31, 2021	
INR	**+50**	**(52.61)**	+50	(40.22)
US Dollar	**+50**	**(199.00)**	+50	(149.69)
INR	**-50**	**52.61**	-50	40.22
US Dollar	**-50**	**199.00**	-50	149.69

2. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and Borrowings.

The Group manages its foreign currency risk through combination of natural hedge, mandatory hedging and hedging undertaken on occurence of pre-determined triggers. The hedging is mostly undertaken through forward contracts.

The Group has outstanding forward contract of ₹ 3,610.54 crore as at March 31, 2022 (March 31, 2021: ₹ Nil) which has been undertaken to hedge its exposure to borrowings and other financial liabilities.

The sensitivity to a reasonably possible change in USD/INR exchange rates, with all other variables held constant, the impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Group's exposure to foreign currency changes for all other currencies other than below is not material.

Currency	Increase/ Decrease in %	Effect on profit before tax (₹ in crore)	Increase/ Decrease in %	Effect on profit before tax (₹ in crore)
	March 31, 2022		March 31, 2021	
Forward Contract - US Dollar	**+5%**	**180.53**	+5%	-
	-5%	**(180.53)**	-5%	-
Other Exposures - US Dollar	**+5%**	**(4,355.03)**	+5%	(3,478.19)
	-5%	**4,355.03**	-5%	3,478.19
Other Exposures - SGD	**+5%**	**(114.73)**	+5%	(111.40)
	-5%	**114.73**	-5%	111.40
Cross Currency - USD vs. SGD	**+5%**	**(123.40)**	+5%	(119.03)
	-5%	**123.40**	-5%	119.03
Cross Currency - USD vs. INR	**+5%**	**(66.32)**	+5%	(63.98)
	-5%	**66.32**	-5%	63.98

The effects of most exchange rate fluctuations are absorbed in business operating results which are offset by changing cost competitiveness, lags in market adjustments to movements in rates to its other non-financial assets like inventory etc. For this reason, the total effect of exchange rate fluctuations is not identifiable separately in the Group's reported results.

NOTES TO FINANCIAL STATEMENTS

NOTE – 41: FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

3. Commodity Price Risk

The Group is exposed to various commodity price related risk such as Refinery Margins i.e. Differential between the prices of petroleum products & crude oil, Crude Oil Price fluctuation on accounts of inventory valuation fluctuation and crude oil imports etc. As per approved risk management policy, the Group can undertake refinery margin hedging, inventory hedging and crude oil price hedging through swaps, options and futures in the OTC market as well as domestic exchanges to mitigate the risk within the approved limits.

Category-wise quantitative data about commodity derivative transactions that are oustanding as at the end of the financial year is given below:

Quantity (in Lakhs bbls)

Particulars	March 31, 2022	March 31, 2021
Margin Hedging Forward contracts	**26.25**	14.25

The sensitivity to a reasonably possible change in Crude benchmark price difference/ refinery margin on the outstanding commodity hedging position as on March 31, 2022:

Particulars	Increase/ Decrease in %	Effect on profit before tax (₹ in crore)	Increase/ Decrease in %	Effect on profit before tax (₹ in crore)
	March 31, 2022		March 31, 2021	
Margin Hedging	**+10%**	**(30.27)**	+10%	(2.88)
Margin Hedging	**-10%**	**30.27**	-10%	2.88

4. Equity Price Risk

The Group's investment in listed and non-listed equity securities, other than its investments in Joint Ventures/ Associates and Subsidiaries, are susceptible to market price risk arising from uncertainties about future values of the investment securities.

At the reporting date, the exposure to unlisted equity securities at fair value was ₹ 1,511.25 crore. Sensitivity analysis of these investments have been provided in Note 40.

The exposure to listed equity securities valued at fair value was ₹ 19,216.09 crore. An increase / decrease of 5% on the market index could have an impact of approximately ₹ 960.80 crore on the OCI and equity attributable to the Group. These changes would not have an effect on profit or loss.

5. Derivatives and Hedging

(i) Classification of derivatives

The Group is exposed to certain market risks relating to its ongoing business operations as explained above.

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are accounted for at fair value through profit or loss. Information about the derivatives used by the Group and outstanding as at the end of the financial year is provided below:

(₹ in crore)

	March 31, 2022		March 31, 2021	
	Other Financial Assets	Other Financial Liabilities	Other Financial Assets	Other Financial Liabilities
Derivatives not designated as hedging instruments				
Foreign exchange forward contracts- Loans	**-**	**-**	-	-
Foreign Exchange currency swap	**20.60**	**245.95**	22.66	252.65

NOTES TO FINANCIAL STATEMENTS

NOTE – 41: FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

(₹ in crore)

	March 31, 2022		March 31, 2021	
	Other Financial Assets	Other Financial Liabilities	Other Financial Assets	Other Financial Liabilities
Derivatives designated as hedging instruments				
Foreign exchange forward contracts- Loans	**-**	**42.26**	-	-
Foreign exchange forward contracts- Crude/ Product Liabilities	**-**	**-**	-	-
Interest Rate Swap	**53.15**	**-**	5.35	-
Commodity Forward Contracts - Margin Hedging	**2.97**	**19.60**	17.12	-

(ii) Hedging activities

The primary risks managed using derivative instruments are commodity price risk, foreign currency risk and interest rate risk.

Commodity Price Risk

IndianOil buys crude and sells petroleum products linked to international benchmark prices and these benchmark prices do not move in tandem. This exposes IndianOil to the risk of variation in refining margins which is managed by margin hedging.

The risk of fall in refining margins of petroleum products in highly probable forecast sale transactions is hedged by undertaking crack spread forward contracts. The Group wants to protect the realization of margins and therefore to mitigate this risk, the Group is taking these forward contracts to hedge the margin on highly probable forecast sale in future. Risk management activities are undertaken in OTC market i.e. these are the bilateral contracts with registered counterparties.

All these hedges are accounted for as cash flow hedges.

Foreign Currency Risk

The Group is exposed to various foreign currency risks as explained in A.2 above. As per Group's Foreign Currency & Interest Rate Risk Management Policy , the Group is required to fully hedge the short term foreign currency loans (other than revolving lines and PCFC loans) and at least 50% of the long term foreign currency loans based on market conditions.

Apart from mandatory hedging of loans, the Group also undertakes foreign currency forward contracts for the management of currency purchase for repayment of crude/ product liabilities based on market conditions and requirements. The above hedgings are undertaken through delivery based forward contracts.

All these hedges are accounted for as cash flow hedges.

Interest Rate Risk

The Group is exposed to interest rate risks on floating rate borrowings as explained in A.1 above. Group hedges interest rate risk by taking interest rate swaps as per Group's Interest Rate Risk Management Policy based on market conditions. The Group uses interest rate derivatives to hedge exposure to interest payments for floating rate borrowings denominated in foreign currencies.

All these hedges are accounted for as cash flow hedges.

Hedge Effectiveness

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange and commodity forward contracts match the terms of hedge items. The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange, interest rate and commodity forward contracts are identical to the hedged risk components. To test the hedge effectiveness, the Group compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks. In case of interest rate swaps, as the critical terms of the interest rate swap contracts and their corresponding hedged items are the similar, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates.

NOTES TO FINANCIAL STATEMENTS

NOTE – 41: FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

Source of Hedge ineffetiveness

In case of commodity price risk, the Group has identified the following sources of ineffectiveness, which are not expected to be material:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- Different indexes linked to the hedged risk of the hedged items and hedging instruments
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments

In case of foreign currency risk and interest rate risk, the main source of hedge ineffectiveness is the effect of the counterparty and the Group's own credit risk on the fair value of hedge contracts, which is not reflected in the fair value of the hedged items. The effect of this is not expected to be material.

Disclosures of effects of Cash Flow Hedge Accounting

Hedging instruments

The Group is holding the following hedging instruments:

(₹ in crore)

As at March 31, 2022	Maturity					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 12 Months	Total
Foreign exchange forward contracts- Loans						
Nominal amount	-	1136.65	-	-	2473.89	3610.54
Average forward rate (₹)	-	75.78	-	-	82.46	
Foreign exchange forward contracts- Crude/ Product Liabilities						
Nominal amount	-	-	-	-	-	-
Average forward rate (₹)	-	-	-	-	-	
Interest Rate Swaps						
Nominal amount	-	-	-	-	1515.53	1515.53
Commodity forward contracts- Margin Hedging						
Nominal volume (Quantity in lakh bbls)	-	8.50	11.00	6.75	-	26.25
Nominal amount	-	130.32	110.42	45.35	-	286.09
Average forward rate ($ /bbl)	-	20.23	13.24	8.86	-	-

(₹ in crore)

As at March 31, 2021	Maturity					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 12 Months	Total
Foreign exchange forward contracts- Loans						
Nominal amount	-	-	-	-	-	-
Average forward rate	-	-	-	-	-	

NOTES TO FINANCIAL STATEMENTS

NOTE – 41: FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

(₹ in crore)

As at March 31, 2021	Maturity					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 12 Months	Total
Foreign exchange forward contracts- Crude/ Product Liabilities						
Nominal amount	-	-	-	-	-	-
Average forward rate (₹)	-	-	-	-	-	
Interest Rate Swaps						
Nominal amount	-	-	-	-	1,438.43	1438.43
Commodity forward contracts- Margin Hedging						
Nominal volume (Quantity in lakh bbls)	0.75	1.50	6.00	6.00	-	14.25
Nominal amount	(0.91)	(1.82)	37.48	11.17	-	45.92
Average forward rate ($ /bbl)	(1.66)	(1.66)	8.55	2.55	-	

The impact of the hedging instruments on the Balance Sheet is as under:

(₹ in crore)

	Foreign exchange forward contracts- Loans		Foreign exchange forward contracts- Crude/ Product Liablities		Interest Rate Swaps		Commodity forward contracts- Margin Hedging	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Nominal amount	**3610.54**	-	**-**	-	**1515.53**	1438.43	**286.09**	45.92
Carrying amount	**(42.26)**	-	**-**	-	**53.15**	5.35	**(16.63)**	17.12
Line item in the Balance Sheet that's includes Hedging Instruments	Other Current Financial Assets / Other Current Financial Liabilities*							
Change in fair value used for measuring ineffectiveness for the period - Gain (Loss)	**(42.26)**	(14.14)	**3.35**	(6.30)	**53.15**	5.35	**(15.19)**	136.67

Hedge Items

The impact of the Hedged Items on the Balance Sheet is as follows:

(₹ in crore)

	Foreign exchange forward contracts- Loans		Foreign exchange forward contracts- Crude/ Product Liablities		Interest Rate Swaps		Commodity forward contracts- Margin Hedging	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Balance in Cash flow hedge reserve as at the end of the year for continuing hedges (net of tax)	**(10.19)**	-	**0.80**	-	**70.56**	4.00	**(33.86)**	12.80
Change in value of the hedged items used for measuring ineffectiveness for the period	**42.26**	14.14	**(3.35)**	6.30	**(53.15)**	(5.35)	**15.19**	(136.67)

NOTES TO FINANCIAL STATEMENTS

NOTE – 41: FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

The effect of the cash flow hedge in the Statement of Profit and Loss and Other Comprehensive Income is as follows:

(₹ in crore)

	Foreign exchange forward contracts- Loans		Foreign exchange forward contracts- Crude/ Product Liablities		Interest Rate Swaps		Commodity forward contracts- Margin Hedging	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Cash flow Hedge Reserve at the beginning of the year	-	-	-	-	4.00	-	12.80	46.00
Total hedging gain/(loss) recognised in OCI	(42.26)	(14.14)	3.35	(6.30)	47.80	5.35	(32.31)	75.18
Income tax on above	(16.58)	3.56	1.31	1.59	18.76	(1.35)	(12.68)	(18.92)
Ineffectiveness recognised in profit or loss	-	-	-	-	-	-	-	-
Line item in the statement of profit or loss that includes the recognized ineffectiveness	NA	NA	NA	NA	NA	NA	NA	NA
Amount reclassified from OCI to profit or loss	(42.26)	(14.14)	3.35	(6.30)	-	-	1.45	119.55
Income tax on above	(6.39)	3.56	0.51	1.59	-	-	0.22	(30.09)
Cash flow Hedge Reserve at the end of the year	(10.19)	-	0.80	-	70.56	4.00	(33.86)	12.80
Line item in the statement of profit or loss that includes the reclassification adjustments	Other Expenses	Other Income	Other Expenses	Other Expenses	NA	NA	Revenue from Operations	Revenue from Operations

B. Credit risk

Trade Receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by Letters of Credit, Bank Guarantees or other forms of credit insurance, wherever required.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Group applies Simplified approach for providing the expected credit losses on Trade Receivables as per the accounting policy of the Group. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

(₹ in crore)

	Unbilled	Not Due	Less than 6 months	Above 6 months to 1 year	Above 1 year to 2 years	Above 2 years to 3 years	> 3 years	Total
Year ended March 31, 2022								
Gross Carrying amount	84.51	11,113.42	5,575.47	1,425.36	342.75	283.93	287.34	19,112.78
Expected credit losses	(0.23)	(30.79)	(138.87)	(37.82)	(11.22)	(11.75)	(4.25)	(234.93)
Specific Provision	-	-	-	-	(0.98)	(0.36)	(176.09)	(177.43)
Carrying amount	**84.28**	**11,082.63**	**5,436.60**	**1,387.54**	**330.55**	**271.82**	**107.00**	**18,700.42**
Year ended March 31, 2021								
Gross Carrying amount	53.12	8,276.78	2,744.51	775.17	2,071.09	192.83	280.66	14,394.16
Expected credit losses	(0.08)	(8.52)	(2.22)	(0.90)	(0.81)	(1.14)	(0.09)	(13.76)
Specific Provision	-	(96.33)	(74.56)	(23.97)	(224.98)	(9.23)	(169.16)	(598.23)
Carrying amount	**53.04**	**8,171.93**	**2,667.73**	**750.30**	**1,845.30**	**182.46**	**111.41**	**13,782.17**

NOTES TO FINANCIAL STATEMENTS

NOTE – 41: FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

The ECL matrix has been reviewed during the year and accordingly expected credit losses have been computed using historical credit loss experience for different groups of trade receivables.

Other Financial instruments and cash deposits

The Group's maximum exposure to credit risk for the components of the Balance Sheet at March 31, 2022 and March 31, 2021 is the carrying amounts as provided in Note 4, 5, 6, 11 & 12.

The Group applies General approach for providing the expected credit losses on these items as per the accounting policy of the Group.

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Group's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group has given loans to PMUY (Pradhan Mantri Ujjwala Yojana) customers which are shown under Loans in Note-5. PMUY loans are given to provide clean cooking fuel to BPL families as per GOI scheme wherein free LPG connections are issued by Oil Marketing Companies (OMCs) to the women belonging to the Below Poverty Line (BPL) households. As per the scheme, OMCs are providing an option for interest free loan towards cost of burner and 1st refill to PMUY consumers which is to be recovered from the subsidy amount payable to customer when such customers book refill.

In case of certain PMUY loans, the Group has determined that there is significant increase in the credit risk. The Group considers the probability of default upon initial recognition of the loan and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers past experience and time elapsed since the last refill for determining probability of default on collective basis. The Group has categorized the PMUY loans wherein credit risk has increased significantly under various categories considering the likelihood of default based on time gap since last refill. During the year, due to inactivity of a portion of PMUY consumers despite the efforts of Group and GOI, Group has changed the percentage of ECL provisioning. ECL is provided @80% (2021: @80%) in case of time gap since last refill is more than 12 months but not exceeding 18 months, @90% (2021: @90%) in case of time gap is more than 18 months but not exceeding 24 months and @100% (2021: @100%) for those consumers who have not taken any refill more than 24 months. ECL is provided for the loans where the refill is taken within last 12 months based on experience ratio of more than 12 months as above.

The PMUY loans are classified as credit impaired as on reporting date considering significant financial difficulty in case the customer has not taken any refill from past 24 months (2021: 24 months).

In case of other financial assets, there are certain credit impaired cases mainly due to breach of contract arising due to default or bankruptcy proceedings.

The movement in the loss allowance for impairment of financial assets at amortised cost during the year was as follows:

(₹ in crore)

2021-22	Opening Balance	ECL created during the year	ECL write Back	ECL written off/ Reclassifications*	Closing Balance
	A	B	C	D	(A+B+C+D)
Trade Receivables					
Expected credit losses	13.79	221.65	(0.51)	-	234.93
Specific Provision	598.22	17.60	(431.94)	(6.45)	177.43
Total	**612.01**	**239.25**	**(432.45)**	**(6.45)**	**412.36**
Loans					
12 Months ECL	327.04	-	(130.13)	-	196.91
Life Time ECL- not credit impaired	196.31	-	(67.55)	-	128.76
Life Time ECL- credit impaired	555.66	105.50	(111.42)	-	549.74
Total	**1,079.01**	**105.50**	**(309.10)**	**-**	**875.41**

NOTES TO FINANCIAL STATEMENTS

NOTE – 41: FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

(₹ in crore)

2021-22	Opening Balance	ECL created during the year	ECL write Back	ECL written off/ Reclassifications*	Closing Balance
Security Deposits					
12 Months ECL	-	-	-	-	-
Life Time ECL- not credit impaired	-	-	-	-	-
Life Time ECL- credit impaired	1.40	0.02	-	-	1.42
Total	1.40	0.02	-	-	1.42
Other Financial assets					
12 Months ECL	-	-	-	-	-
Life Time ECL- not credit impaired	71.56	-	(71.56)	-	-
Life Time ECL- credit impaired	217.57	35.32	(10.98)	(0.08)	241.83
Total	289.13	35.32	(82.54)	(0.08)	241.83

* Net of translation difference amounting to NIL.

(₹ in crore)

2020-21	Opening Balance	ECL created during the year	ECL write Back	ECL written off/ Reclassifications*	Closing Balance
	A	B	C	D	(A+B+C+D)
Trade Receivables					
Expected Credit Loss	15.71	0.62	(2.54)	-	13.79
Specific Provision	131.93	482.71	(2.54)	(13.88)	598.22
Total	**147.64**	**483.33**	**(5.08)**	**(13.88)**	**612.01**
Loans					
12 Months ECL	69.98	257.06	-	-	327.04
Life Time ECL- not credit impaired	126.39	69.92	-	-	196.31
Life Time ECL- credit impaired	360.29	197.26	(0.14)	(1.75)	555.66
Total	**556.66**	**524.24**	**(0.14)**	**(1.75)**	**1,079.01**
Security Deposits					
12 Months ECL	-	-	-	-	-
Life Time ECL- not credit impaired	-	-	-	-	-
Life Time ECL- credit impaired	1.50	-	(0.10)	-	1.40
Total	**1.50**	**-**	**(0.10)**	**-**	**1.40**
Other Financial assets					
12 Months ECL	-	-	-	-	-
Life Time ECL- not credit impaired	-	71.56	-	-	71.56
Life Time ECL- credit impaired	162.44	58.53	(3.85)	0.45	217.57
Total	**162.44**	**130.09**	**(3.85)**	**0.45**	**289.13**

*Net of translation difference amounting to ₹ 0.64 crore

NOTES TO FINANCIAL STATEMENTS

NOTE – 41: FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

C. Liquidity risk

The Group monitors its risk of shortage of funds using a liquidity planning tool. The Group seeks to manage its liquidity requirement by maintaining access to both short term and long term debt markets. In addition, Group has committed credit facilities from banks.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, commercial papers, bank loans, debentures, and leases. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual payments.

(₹ in crore)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2022						
Borrowings	**10,816.32**	**32,073.84**	**24,715.40**	**50,161.78**	**5,782.76**	**1,23,550.10**
Lease Obligations	**-**	**853.48**	**1,252.39**	**2,777.06**	**3,586.56**	**8,469.49**
Trade payables	**1,643.59**	**47,402.32**	**-**	**-**	**-**	**49,045.91**
Other financial liabilities	**26,398.22**	**13,056.35**	**4,234.32**	**462.13**	**451.66**	**44,602.68**
Derivatives	**-**	**307.81**	**-**	**-**	**-**	**307.81**
	38,858.13	**93,693.80**	**30,202.11**	**53,400.97**	**9,820.98**	**2,25,975.99**
Year ended March 31, 2021						
Borrowings	16,545.50	27,334.12	10,361.65	50,394.00	4,291.01	1,08,926.28
Lease Obligations	-	305.69	1,167.20	2,492.18	3,757.71	7,722.78
Trade payables	2,790.14	34,173.93	-	-	-	36,964.07
Other financial liabilities	30,113.44	7,367.23	4,347.09	517.67	329.81	42,675.24
Derivatives	-	252.65	-	-	-	252.65
	49,449.08	**69,433.62**	**15,875.94**	**53,403.85**	**8,378.53**	**1,96,541.02**

D. Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

E. Collateral

As Group has been rated investment grade by various domestic and international rating agencies, there has been no requirement of submitting any collateral for booking of derivative contracts. Group undertakes derivatives contract only with those counterparties that have credit rating above the internally approved threshold rating. Accordingly, Group does not seek any collaterals from its counterparties.

NOTE – 42: CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to maximise the shareholder value. Capital includes issued equity capital, share premium and all other equity reserves, attributable to the equity shareholders, for the purpose of the Group's capital management.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and requirements. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares to maintain or adjust the capital structure. The Group monitors capital using debt equity ratio, which is borrowings divided by Equity. The Group's endeavour is to keep the debt equity ratio around 1:1.

NOTES TO FINANCIAL STATEMENTS

NOTE – 42: CAPITAL MANAGEMENT (Contd..)

(₹ in crore)

Particulars	31-03-2022	31-03-2021
Borrowings	**1,23,550.10**	1,08,926.28
Equity Share Capital	**9,181.04**	9,181.04
Reserves and Surplus	**1,25,945.61**	1,03,632.95
Equity	**1,35,126.65**	1,12,813.99
Debt Equity Ratio	**0.91 : 1**	0.97 : 1

No changes were made in the objectives, policies or processes for managing capital during the financial year ended 31 March 2022 and 31 March 2021.

NOTE – 43: DISCLOSURE ON GOVERNMENT GRANTS

A. Revenue Grants

1 Subsidies on sales of SKO (PDS) and LPG (Domestic)

Subsidies on sales of SKO (PDS) and LPG (Domestic) in India amounting to **₹ 154.21 crore** (2021: ₹ 72.46 crore) and subsidies on sales of SKO and LPG to customers in Bhutan amounting to **₹ 6.44 crore** (2021: ₹ 3.13 crore) have been reckoned as per the schemes notified by Governments.

2 Export of Notified Goods under MEIS Claims/RoDTEP scheme

The Group has recognised **₹ 3.64 crore** (2021: ₹ 0.02 crore) on export of notified goods under Merchandise Exports from India Scheme (MEIS)/ Remission of Duties and Taxes on Exported Products (RoDTEP) scheme in the Statement of Profit and Loss as Revenue Grant.

3 Stipend to apprentices under NATS/NAPS scheme

As per Ministry of HRD, 50% of the cost of stipend for apprentices which are paid under National Apprenticeship Training Scheme (NATS) will be reimbursed to employer from Government subject to prescribed threshhold limit.The Group has recognised grant in respect of stipend paid to apprentices appointed under National Apprenticeship Training Scheme (NATS) amounting to **₹ 5.91 crore** (2021: ₹ 2.52 crore) as Revenue Grant.

4 Grant in respect of revenue expenditure for research projects

During the year, the Group has received revenue grant of **₹ 1.62 crore** (2021: ₹ 1.68 crore) in respect of meeting out revenue expenditure such as Manpower, Consumables, Travel & Contingency etc for research projects undertaken with various agencies.

5 Incentive on sale of power

Group is getting incentive from Department of Renewable Energy, GOI for wind power generation of Electricity at the rate of ₹ 0.50 paise for per unit of power generated. The Group has received grant of **₹ 2.37 crore** during the current year (2021: ₹ 2.08 crore).

6 EPCG Grant

Grant recognized in respect of duty waiver on procurement of capital goods under EPCG scheme of Central Govt. which allows procurement of capital goods including spares for pre production and post production at zero duty subject to an export obligation of 6 times of the duty saved on capital goods procured. The unamortized grant amount as at March 31, 2022 is **₹ 8.29 crore** (2021: ₹ 2.29 crore) . During the year, the Group has recognised **Nil** (2021: ₹ 41.57 crore) in the Statement of Profit and Loss as amortisation of revenue grant. The Group expects to meet the export obligations and therefore equivalent deferred grant has not been treated as liability.

7 Excise duty benefit in North East

Excise duty exemption of 50% of goods manufactured and cleared from north east refineries has been reckoned at full value in revenue and on net basis in expenses under 'Excise Duty' (to the extent of duty paid). Financial impact for the current year is **₹ 5426.43 crore** (2021: ₹ 5655.21 crore).

NOTES TO FINANCIAL STATEMENTS

NOTE – 43: DISCLOSURE ON GOVERNMENT GRANTS (Contd..)

8 Viability Gap Funding (VGF)

The Group has received grant in the form of interest free loans from Orissa Government for a period of 15 years.The unamortized grant amount as at March 31, 2022 is **₹ 2372.48 crore** (2021: ₹ 2065.16 crore). During the year, the Group has recognised **₹ 176.05 crore** (2021: ₹ 144.86 crore) in the Statement of Profit and Loss as amortisation of grants.

B. Capital Grants

1 OIDB Government Grant for strengthening distribution of SKO (PDS)

The Group has received government grant from OIDB (Oil Industry Development Board) for strengthening distribution of PDS Kerosene as per the directions of MoP&NG to be used in construction of 20KL underground Tank, Mechanical Dispensing Units and Barrel Shed. The unamortized capital grant amount as at March 31, 2022 is **₹ 0.59 crore** (2021: ₹ 0.76 crore). During the year, the Group has recognised **₹ 0.17 crore** (2021: ₹ 0.25 crore) in Statement of Profit and Loss as amortisation of capital grants.

2 Capital Grant in respect of Excise duty,Custom duty and GST waiver

The Group has received grant in respect of Custom duty waiver on import on capital goods,Excise duty waiver and GST waiver on purchase of goods from local manufacturer in India under the certificate issued by Department of Scientific and Industrial Research (DSIR). The unamortized capital grant amount as at March 31, 2022 is **₹ 75.59 crore** (2021: ₹ 67.77 crore) The goods so imported or procured from local manufacturer shall not be transferred or sold for a period of five years from date of installation. During the year, the Group has recognised **₹ 11.7 crore** (2021: ₹ 10.85 crore) in the Statement of Profit and Loss as amortisation of capital grants.

3 Capital Grant in respect of Research projects

The Group has received capital grant from various agencies in respect of procurement/ setting up of Capital assets for research projects undertaken. The unamortized capital grant amount as at March 31, 2022 is **₹ 9.01 crore** (2021: ₹ 11.19 crore). During the year, the Group has recognised **₹ 2.70 crore** (2021: ₹ 2.6 crore) in the Statement of Profit and Loss as amortisation of capital grants.

4 Capital Grant in respect of Entry Tax Exemption from Odisha Govt.

Entry Tax exemption received from Odisha Government for Paradip Refinery Project has been recognized as Capital Grant and grossed up with the concerned Assets.The unamortized capital grant amount as at March 31, 2022 is **₹ 100.22 crore** (2021: ₹ 105.55 crore). During the year, the Group has recognised **₹ 5.34 crore** (2021: ₹ 5.47 crore) in the Statement of Profit and Loss as amortisation of capital grants.

5 Capital Grant in respect of demonstration unit

Grant received from OIDB for setting up of demonstration unit at Guwahati refinery with the Group's R&D developed IndaDeptG technology. The unamortized capital grant amount as at March 31, 2022 is **₹ 377.97 crore** (2021: ₹ 173.27 crore). During the year, the Group has recognised **₹ 4.38 crore** (2021: ₹ 4.38 crore) in the Statement of Profit and Loss as amortisation of capital grants.

6 Capital Grant in respect of interest subsidy

The Group has received capital grant in respect of interest subsidy on loans taken from OIDB. The unamortized capital grant amount as at March 31, 2022 is **₹ 16.32 crore** (2021: ₹ 32.98 crore). During the year, the Group has recognised **₹ 2.03 crore** (2021: ₹ 1.82 crore) in the Statement of Profit and Loss as amortisation of capital grants.

7 Capital Grant in respect of Solar Power Generation

The Group has received capital financial assistance from Ministry of New and Renewable Energy in respect of procurement and installation of Solar Panels for Power Generation.The unamortized capital grant amount as at March 31, 2022 is **₹ 3.78 crore** (2021: ₹ 3.96 crore). During the year, the Group has recognised **₹ 0.19 crore** (2021: ₹ 0.18 crore) in the Statement of Profit and Loss as amortisation of capital grants.

8 Capital Grant from Nepal Government

The Group has received grant from Nepal Government by way of waiver of Local taxes on goods/services procured locally in Nepal and Import Duty for goods/services imported into Nepal. The Group has recognised **₹ 1.12 crore** (2021: ₹ 1.05 crore) in Statement of Profit & Loss. The unamortized balance is **₹ 11.69 crore** (2021: ₹ 12.42 crore).

NOTES TO FINANCIAL STATEMENTS

NOTE – 44: REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group is in the business of oil and gas and it earns revenue primarily from sale of petroleum products, petrochemicals,Gas, E&P and Others. Revenue are recognized when control of the goods and services are transferred to the customer.

Generally, Group enters into contract with customers:

a. On delivered basis in case of Retail Sales, LPG and Aviation.

b. On Ex-Marketing Installation as well as delivered basis in case of Lubes and Consumers.

c. On FOB or CIF basis depending on terms of contract in case of Export sales.

Majority of Group's sales are to retail category which are mostly on cash and carry basis. The Group also execute supply to Institutional Businesses(IB), Lubes , Aviation on credit which are for less than a year.

For maintaining uninterrupted supply of products, customers generally deposit amount in advance with the Group against which orders for purchase of products are placed by the customers. Based on these orders, supply is maintained by the Group and revenue is recognized when the goods are delivered to the customer by adjusting the advance from customers. Revenue in cases of performance obligation related to delivered sales are recognized in time based on delivery of identified and actual goods and no significant judgement is involved.

The Group also extends volume/slab based discounts to its customers on contract to contract basis for upliftment of products and it is adjusted in revenue as per the terms of the contract. Group also runs loyalty programmes and incentive schemes for its retail and bulk customers. Loyalty points are generated and accumulated by the customers on doing transactions at Group's outlet which can be redeemed subsequently for fuel purchases from Group outlets. Revenue is recognized net of these loyalty points and incentive schemes.

Besides this, though not significant, the Group also undertakes construction contracts on deposit basis. Revenue is recognized for these contracts overtime using input based on cost incurred. Similarly non-refundable deposits received from Retail Outlets (ROs) are recognized as revenue over time on proportionate basis.

Bifurcation of Total Revenue into Revenue from contract with customers and other sources of revenue as per requirement of Ind AS is given below;

(₹ in crore)

Particulars	2021-22	2020-21
Total Revenue (A+D)	**7,36,730.84**	**5,20,236.84**
Revenue from contract with customers (A)	**7,34,630.02**	5,17,686.56
Recognised from contract liability balance of previous year (B)	**3,714.04**	4,290.55
Recognised from contracts initiated in current year (C)	**7,30,916.01**	5,13,396.01
Revenue from other contracts/from others (D)	**2,100.82**	2,550.28

An amount of **₹ 226.45 crore** (2021: ₹ 483.48 crore) on account of impairment losses on receivables is recognised under the head Impairment Loss on Financial Assets on the face of Statement of Profit and Loss.

The Group discloses information on reportable segment as per Ind AS 108 under Note 39 - Segmental Information. An amount of **₹ 689.76 crore** (2021: ₹ 572.84 crore) is recognised over time under Revenue from contract with customers.

(₹ in crore)

Particulars	Receivables	Contract Asset	Contract Liability
Opening Balance	**13,830.23**	**-**	**5,648.19**
Closing Balance	**18,785.63**	**-**	**7,157.53**

The Group has applied practical expedient as per IndAS 115 in case of delivered sales, advance from customers where the performance obligation is part of the contract and the original expected duration is one year or less and in case of construction contracts/deposit works wherein the Group has a right to consideration from customer that correspond directly with the value of the entity's performance completed for the customer.

NOTES TO FINANCIAL STATEMENTS

NOTE – 45: STATEMENT OF SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (FORM AOC - I)

Part "A": Subsidiaries

(₹ in crore)

Sl. No.	1	2	3	4	5	6	7	8
Name of the Subsidiary	Chennai Petroleum Corporation Limited	IndianOil (Mauritius) Limited	Lanka IOC PLC*	IOC Middle East FZE	IOC Sweden AB	IOCL (USA) Inc.	IndOil Global BV.	IOCL Singapore PTE Limited
Date since when subsidiary was acquired	29.03.2001	24.10.2001	29.08.2002	19.04.2006	26.02.2010	01.10.2012	25.02.2014	13.05.2016
Reporting Currency	INR	MUR	LKR	AED	EURO	USD	CAD	USD
Exchange Rate (INR):								
Closing as on 31.03.2022	-	1.6804	0.2613	20.6290	84.1247	75.7975	60.4740	75.7975
Average Rate 2021-22	-	1.7549	0.3670	20.2903	86.6280	74.5149	59.4554	74.5149
Share Capital	148.91	75.67	250.54	2.30	388.47	336.32	6,185.26	9,005.34
Other Equity	2,837.82	269.29	370.67	38.90	(290.33)	(220.92)	(2,078.88)	920.43
Liabilities	14,608.85	179.22	1,065.71	8.55	12.78	6.09	3,775.33	1,472.92
Total Liabilities	17,595.58	524.18	1,686.92	49.75	110.92	121.49	7,881.71	11,398.69
Total Assets	17,595.58	524.18	1,686.92	49.75	110.92	121.49	7,881.71	11,398.69
Investments	208.55	14.57	368.71	-	110.26	-	39.39	8,170.00
Turnover	60,402.02	1,149.22	3,301.21	29.88	-	36.10	619.83	2,405.55
Profit Before Taxation	1,841.25	66.13	(82.54)	(0.97)	(12.89)	16.30	52.65	813.45
Provision for Taxation	489.22	9.10	22.32	-	-	-	-	332.35
Profit After Taxation	1,352.03	57.03	(104.86)	(0.97)	(12.89)	16.30	52.65	481.10
Proposed Dividend	29.78	-	-	-	-	-	-	-
Percentage of shareholding	51.89%	100.00%	75.12%	100.00%	100.00%	100.00%	100.00%	100.00%

Indian Catalyst Private Limited has been dissolved and name has been struck off from the ROC's register on 25th October 2021.

*Lanka IOC PLC has reported profit of LKR 4818.46 Million,however the same is getting converted into loss due to conversion of inventory as on 31.03.2022 at closing conversion rate into INR.

INR	Indian Rupees
MUR	Mauritian rupees
LKR	Srilankan Rupees
AED	United Arab Emirates Dirham
USD	United States Dollars
CAD	Canadian Dollars

NOTES TO FINANCIAL STATEMENTS

NOTE – 45: STATEMENT OF SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (FORM AOC - I) (CONTD..)

Part "B": Joint Ventures / Associates

(₹ in crore)

1	Name of the Associates / Joint Ventures	Indian Oiltanking Limited	Lubrizol India Private Limited	Indian Oil Petronas Private Limited	Green Gas Limited	Indian Oil Skytanking Private Limited		Suntera Nigeria 205 Limited	Delhi Aviation Fuel Facility Private Limited	Indian Synthetic Rubber Private Limited	NPCIL - IndianOil Nuclear Energy Corporation Limited	GSPL India Transco Limited	GSPL India Gasnet Limited	Indradhanush Gas Grid Limited	IndianOil Total Private Limited
2	Latest Audited Balance Sheet Date	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022		31.12.2021	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022
3	Date of which Associate or Joint Venture was associated or acquired	28.08.1996	01.04.2000	03.12.1998	07.10.2005	21.08.2006		09.05.2006	28.03.2010	06.07.2010	06.04.2011	29.03.2013	29.03.2013	10.08.2018	07.10.2020
4	Shares of Associate / Joint Ventures held by the company on the year end														
	i. No.	494828289	499200	134000000	23047250	25950000		2500000	60680000	222861375	260000	157820000	491925030	85000000	15000000
	ii. Amount of Investment in Associates / Joint Venture	723.98	61.71	134.00	23.09	73.28		0.05	60.68	222.86	0.26	157.82	491.93	85.00	15.00
	iii. Extent of Holding %	49.38%	26.00%	50.00%	49.98%	50.00%		25.00%	37.00%	50.00%	26.00%	26.00%	26.00%	20.00%	50.00%
5	Description of how there is significant influence	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control		Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control
6	Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated		Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated
7	Networth attributable to Shareholding as per latest audited Balance Sheet	715.11	171.47	679.60	258.70	90.80		(192.24)	90.00	317.56	0.38	91.26	500.36	82.31	13.51
8	Profit / (Loss) for the year (After Tax)	115.83	72.72	189.77	62.60	12.44		(56.73)	(5.33)	236.91	0.04	(155.56)	73.36	1.95	(0.77)
	i. Considered in Consolidation	57.20	18.91	94.88	31.29	6.22		(14.18)	(1.97)	118.46	0.01	(40.45)	19.07	0.39	(0.39)
	ii. Not Considered in Consolidation	58.63	53.81	94.89	31.31	6.22		(42.55)	(3.36)	118.45	0.03	(115.11)	54.29	1.56	(0.38)

NOTES TO FINANCIAL STATEMENTS

NOTE – 45: STATEMENT OF SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (FORM AOC - I)

Part "B": Joint Ventures / Associates

(₹ in crore)

1	Name of the Associates / Joint Ventures	IndianOil Adani Gas Private Limited	Mumbai Aviation Fuel Farm Facility Private Limited	Kochi Salem Pipelines Private Limited	Indian Oil LNG Private Limited #	Hindustan Urvarak and Rasayan Limited		Ratnagiri Refinery & Petrochemicals Limited	IHB Limited	IOC Phinergy Private Limited	Paradeep Plastic Park Limited	Avi-Oil India Private Limited	Petronet VK Limited	Petronet LNG Limited	Petronet India Limited
2	Latest Audited Balance Sheet Date	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022		31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022	31.03.2022
3	Date of which Associate or Joint Venture was associated or acquired	04.10.2013	09.10.2014	22.01.2015	29.05.2015	15.06.2016		22.09.2017	09.07.2019	19.02.2021	09.03.2021	04.11.1993	21.05.1998	02.04.1998	26.05.1997
4	Shares of Associate / Joint Ventures held by the company on the year end														
	i. No.	631190000	52918750	275000000	4500	1629415000		100000000	1029000000	562500	32720000	4500000	50000000	187500000	18000000
	ii. Amount of Investment in Associates / Joint Venture	631.19	52.92	275.00	0.00	1629.42		100.00	1029.00	0.56	32.72	4.50	26.02	98.75	0.18
	iii. Extent of Holding %	50.00%	25.00%	50.00%	45.00%	29.67%		50.00%	50.00%	50.00%	49.00%	25.00%	50.00%	12.50%	18.00%
5	Description of how there is significant influence	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control		Joint Control	Joint Control	Joint Control	Joint Control	Associate	Associate	Associate	Associate
6	Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated		Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated
7	Networth attributable to Shareholding as per latest audited Balance Sheet	617.36	94.26	260.38	(158.20)	1621.43		59.41	1027.92	0.35	57.31	18.89	-	1708.51	0.47
8	Profit / (Loss) for the year (After Tax)	9.38	9.58	(10.13)	(43.42)	(19.84)		(8.83)	(3.17)	(0.43)	(1.40)	6.43	(8.69)	3438.11	-
	i. Considered in Consolidation	4.69	2.39	(5.06)	(19.54)	(5.89)		(4.41)	(1.59)	(0.22)	(0.69)	1.61	-	429.76	-
	ii. Not Considered in Consolidation	4.69	7.19	(5.07)	(23.88)	(13.95)		(4.42)	(1.58)	(0.21)	(0.71)	4.82	(8.69)	3008.35	-

Value of Investment in Indian Oil LNG Private Limited is ₹ 45000.

Following associates or joint ventures are yet to commence operations:

i) Suntera Nigeria 205 Limited

ii) NPCIL - IndianOil Nuclear Energy Corporation Limited

iii) Ratnagiri Refinery & Petrochemicals Limited

iv) Hindustan Urvarak and Rasayan Limited

v) Indradhanush Gas Grid Limited

vi) IHB Limited

vii) IOC Phinergy Private Limited

Equity Consolidation in respect of following Jointly Controlled Entities have not been consolidated as the Management has decided to exit from these companies and provided for full dimunition in the value of investment:

i) Petronet CI Limited.

ii) Indian Oil Ruchi Biofuels LLP

NOTES TO FINANCIAL STATEMENTS

NOTE – 46: ADDITIONAL INFORMATION FOR CONSOLIDATED FINANCIAL STATEMENTS AS PER SCHEDULE-III TO COMPANIES ACT, 2013

Name of the Enity	Net Assets		Share in Profit/ (loss) after Tax		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Total	Amount (₹ in crore)	As % of Total*	Amount (₹ in crore)	As % of Total*	Amount (₹ in crore)	As % of Total*	Amount (₹ in crore)
Indian Oil Corporation Limited	98.32%	1,31,286.36	96.34%	24,184.10	100.53%	6,259.83	97.17%	30,443.93
Subsidiaries								
Indian								
Chennai Petroleum Corporation Limited	2.24%	2,986.73	5.39%	1,352.03	0.38%	23.50	4.39%	1,375.53
Foreign								
IndianOil (Mauritius) Limited	0.26%	344.96	0.23%	57.03	(0.26%)	(16.40)	0.13%	40.63
Lanka IOC PLC	0.47%	621.21	(0.42%)	(104.86)	(1.03%)	(64.33)	(0.54%)	(169.19)
IOC Middle East FZE	0.03%	41.20	-	(0.97)	0.02%	1.47	-	0.50
IOC Sweeden AB	0.07%	98.14	(0.05%)	(12.89)	(5.70%)	(354.79)	(1.17%)	(367.68)
IOCL (USA) Inc.	0.09%	115.40	0.06%	16.30	0.06%	3.78	0.06%	20.08
IndOil Global BV.	3.08%	4,106.38	0.21%	52.65	2.55%	158.92	0.68%	211.57
IOCL Singapore PTE Limited	7.43%	9,925.77	1.92%	481.10	3.42%	212.67	2.21%	693.77
Less: Minority Interests in all subsidiaries	1.19%	1,591.47	2.49%	624.37	(0.08%)	(4.70)	1.98%	619.67
Joint Venture								
Indian								
Indian Oiltanking Limited	0.54%	715.11	0.23%	57.20	-	(0.03)	0.18%	57.17
Lubrizol India Private Limited	0.13%	171.47	0.08%	18.91	(0.01%)	(0.48)	0.06%	18.43
Indian Oil Petronas Private Limited	0.51%	679.60	0.38%	94.88	-	0.02	0.30%	94.90
Green Gas Limited	0.19%	258.70	0.12%	31.29	-	0.02	0.10%	31.31
Indian Oil Skytanking Private Limited	0.07%	90.80	0.02%	6.22	-	(0.07)	0.02%	6.15
Delhi Aviation Fuel Facility Private Limited	0.07%	90.00	(0.01%)	(1.97)	-	-	(0.01%)	(1.97)
Indian Synthetic Rubber Private Limited	0.24%	317.56	0.47%	118.46	-	0.09	0.38%	118.55
Indian Oil Ruchi Biofuels LLP	-	-	-	-	-	-	-	-
NPCIL - IndianOil Nuclear Energy Corporation Limited	-	0.38	-	0.01	-	-	-	0.01
GSPL India Transco Limited	0.07%	91.26	(0.16%)	(40.45)	-	0.01	(0.13%)	(40.44)
GSPL India Gasnet Limited	0.37%	500.36	0.08%	19.07	-	0.02	0.06%	19.09
IndianOil Adani Gas Private Limited	0.46%	617.36	0.02%	4.69	-	0.10	0.02%	4.79
Mumbai Aviation Fuel Farm Facility Private Limited	0.07%	94.26	0.01%	2.39	-	-	0.01%	2.39
Kochi Salem Pipelines Private Limited	0.19%	260.38	(0.02%)	(5.06)	-	-	(0.02%)	(5.06)
IndianOil LNG Private Limited	(0.12%)	(158.20)	(0.08%)	(19.54)	-	0.03	(0.06%)	(19.51)
Hinduatan Urvarak and Rasayan Limited	1.21%	1,621.43	(0.02%)	(5.89)	-	-	(0.02%)	(5.89)
Ratnagiri Refinery & Petrochemicals Limited	0.04%	59.41	(0.02%)	(4.41)	-	-	(0.01%)	(4.41)
Indradhanush Gas Grid Limited	0.06%	82.31	-	0.39	-	-	-	0.39
IHB Limited	0.77%	1,027.92	(0.01%)	(1.59)	-	-	(0.01%)	(1.59)
IndianOil Total Private Limited	0.01%	13.51	-	(0.39)	-	-	-	(0.39)
IOC Phinergy Private Limited	-	0.35	-	(0.22)	-	-	-	(0.22)
Paradeep Plastic Park Limited	0.04%	57.31	-	(0.69)	-	-	-	(0.69)

NOTES TO FINANCIAL STATEMENTS

NOTE – 46: ADDITIONAL INFORMATION FOR CONSOLIDATED FINANCIAL STATEMENTS AS PER SCHEDULE-III TO COMPANIES ACT, 2013 (CONTD..)

Name of the Enity	Net Assets		Share in Profit/ (loss) after Tax		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Total	Amount (₹ in crore)	As % of Total*	Amount (₹ in crore)	As % of Total*	Amount (₹ in crore)	As % of Total*	Amount (₹ in crore)
Foreign								
Suntera Nigeria 205 Limited	(0.14%)	(192.24)	(0.06%)	(14.18)	(0.11%)	(6.54)	(0.07%)	(20.72)
Associates								
Indian								
Avi-Oil India Private Limited	0.01%	18.89	0.01%	1.61	-	(0.01)	0.01%	1.60
Petronet VK Limited	-	-	-	-	-	-	-	-
Petronet LNG Limited	1.28%	1,708.51	1.71%	429.76	-	(0.24)	1.37%	429.52
Petronet India Limited	-	0.47	-	-	-	-	-	-
Intra Group Eliminations	(16.87%)	(22,526.41)	(3.94%)	(988.38)	0.07%	4.76	(3.14%)	(983.62)
TOTAL	**100.00%**	**1,33,535.18**	**100.00%**	**25,102.23**	**100.00%**	**6,227.03**	**100.00%**	**31,329.26**

Note:

1. Figures in respect of Joint Operations as mentioned in Note 34 have been included in the financial statements of Indian Oil Corporation Ltd & Subsidiary Companies and in respect of other Joint Ventures/Associates of Subsidiary Companies, the same has been included in the financial statements of respective subsidiary company.
2. Following Companies have not been consolidated in the consolidated financial statements as the Management has decided to exit from these Entities and provided for full dimunition in value of investment:
   a) Petronet CI Limited
   b) Indian Oil Ruchi Biofuels LLP
3. Group's share of loss in Petronet VK Limited amounting to **₹ 4.35 crore** (2021: loss of ₹ 4.55 crore) has not been recognised as the company has accumulated losses as on 31.03.2022. The Groups's share of unaccounted accumulated losses as on 31st March 2022 stands at **₹ 60.42 crore** (2021: ₹ 56.07 crore).

NOTE – 47: SCHEDULE III ADDITIONAL REGULATORY INFORMATION

Relationship with Struck off Companies

(in ₹)

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding	
		March 31, 2022	March 31, 2021
Hotel Dynasty	Payables	**52,573**	-
Grand Marshall Engineers Private Limited	Payables	**12,537**	-
Skpei Engineering Works Private Limited	Payables	**26,154**	26,154
Vidhoo Industrial Service Private Limited	Payables	**2,107**	2,107
Paonta Technologies & Solutions Private Limited	Payables	**5,520**	5,520
Bharati Instrumentation Private Limited	Payables	**52**	52
Spectacular Advertising & Events Private Limited	Payables	**10,931**	10,931
3I Computers Private Limited	Payables	**11,300**	11,300
Unique Energies Private Limited	Payables	**8,175**	8,175
Promises Medical Equipments Private Limited	Payables	**-**	8,395
DLS Enterprises Private Limited	Payables	**-**	352

NOTES TO FINANCIAL STATEMENTS

NOTE – 47: SCHEDULE III ADDITIONAL REGULATORY INFORMATION (Contd..)

(in ₹)

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding	
		March 31, 2022	March 31, 2021
Kamrupinyae Infrastructures Private Limited	Payables	-	3,45,030
Amstar Infrastructure India Private.Limited	Payables	-	1,18,542
Shree Sai Ip Consultant Private Limited	Payables	-	-
Arvind Singh Consultants Private Limited	Payables	-	-
Maypri Foods Private Limited	Payables	-	-
Aditya Inkjet Technologies Private Limited	Payables	**1,892**	41,653
Murthy Electronics Private Limited	Payables	**2,541**	1,56,936
Linear Point Surveys Private Limited	Payables	-	-
First Office Solutions India Private Limited	Payables	**14,100**	-
Arun Services Private Limited	Payables	**48,402**	-
Polycab Wires And Cables Private Limited	Payables	-	-
Alliance Aviation Private Limited	Payables	-	-
Mcog Engineering And Fabrication Private Limited	Payables	-	-
Kdc Infra Projects Private Limited	Receivables	**1,08,500**	6,39,163
Khazina Digital Private Limited	Receivables	**(5,07,000)**	(5,07,000)
Salai Energy Solutions Private Limited	Receivables	**(3,86,890)**	(7,53,237)
Emanar Enterprise Private Limited	Receivables	-	14,720
Zeba Construction & Dev P Limited	Receivables	-	(1,551)
Yumiko Global Infratech Private Limited	Receivables	**(5,000)**	-
Rc Residency Private Limited	Receivables	-	(2,866)
Deonarayan Pawan Construction Private Limited	Receivables	-	(8,069)
Vacha Energy Ventures Private.Limited	Receivables	-	(2,201)
Gabharu Infracon Private Limited	Receivables	**(56,804)**	(56,804)
Idha E Tail Arks Private Limited	Receivables	**65**	65
Dalhousie Jute Co Limited	Receivables	**(3,26,345)**	(2,51,556)
Chenari Construction Private Limited	Receivables	-	(921)
Eco E Waste Recyclers India Private Limited	Receivables	-	-
Barnagore Jute Factory Co.Limited	Receivables	**(27,223)**	(8,774)
Singh Brothers Construction Private Limited	Receivables	**(1,111)**	(1,111)
Fairwinds Aviation Private Limited	Receivables	**(4,441)**	(3,193)
Kumar Engicon & Agency Private Limited	Receivables	-	(621)
Birendra Nag Constuction Private Limited	Receivables	**(900)**	-
R & S Construction Private Limited	Receivables	-	(6,815)
Palamu And Shivam Construction Private Limited	Receivables	-	(78,139)
Sri Ram Technocrate Private Limited	Receivables	-	(17,523)
Rs - Srivaru Exim Private Limited	Receivables	-	-
The National Sugar Mills Ltd	Receivables	**(35,280)**	(26,204)
Sri Anjaneya Agro Tech Private Limited	Receivables		

Note: The Group does not have any relationship with the above mentioned struck-off companies.

NOTES TO FINANCIAL STATEMENTS

NOTE – 48: ADDITIONAL DISCLOSURES BY GROUP COMPANIES

1 **Impairment loss in respect of Cauvery Basin Refinery**

The CPCL (Subsidiary) has refineries at two locations viz., Manali and Nagapattinam (Cauvery Basin Refinery – CBR). The operations of the CBR unit have been stopped from 01.04.2019. Accordingly, the value in use was negative and, the recoverable value of the asset was reviewed and it was estimated that there would not be any recoverable value for the same and impairment loss was recognised. Some of the Assets to the extent of gross block of ₹ 25.80 crore and accumulated depreciation of ₹ 3.16 crore in respect of which impairment to the extent of ₹ 22.64 crore was provided, has been dismantled and scrapped during the year. Impairment provision of ₹ 100.02 crore is continued in respect of the balance assets.

2 CPCL's Tax expense for the previous year includes ₹ 693.76 crore on exercise of option under said section 115BAA of the Income Tax Act, 1961 to avail the lower rate. Based on receipt of Final Assessment order under Direct Tax Vivad Se Viswas Act, 2020, tax expense of ₹ 11.35 crore has been reversed during the year.

NOTE – 49: OTHER DISCLOSURES

1 In order to provide clean cooking fuel to BPL families, Government has approved "Pradhan Mantri Ujjwala Yojana (PMUY)" scheme where free LPG connections are issued by Oil Marketing Companies (OMCs) to the women belonging to the Below Poverty Line (BPL) households as per SECC -2011 (Rural) database. The scheme was launched on May 1, 2016. As per the scheme, the initial cost towards connection charges (Refundable deposit) would be borne by the Central Government for each card holder. Few State Governments have also extended this scheme to other beneficiaries. As per the scheme, OMCs would provide an option for EMI/Loans towards cost of burner and 1st refill to the PMUY consumers. The loan amount is to be recovered from the subsidy amount payable by the government to the customers on each refill sale. During the year, discounting of the loan has been done based on assumption of 4 refills in a year and respective average subsidy rate per cylinder under different range of subsidy buckets.

The amount of outstanding as at March 31, 2022 towards PMUY claim from Central Government is **₹ 8.63 crore** (2021: ₹ 6.38 crore) and loan to PMUY consumers is **₹ 2,770.67 crore** (2021: ₹ 3,022.58 crore) (net of recovery through subsidy). Against the above loan, a provision for doubtful loans amounting to **₹ 601.46 crore** (2021: ₹ 910.45 crore) has been created as at March 31, 2022 against the beneficiaries who have not taken any refill for more than 12 months based on expected credit loss(ECL) model and applying experience factor based on experience ratio of doubtful provision on more than 12 months to the loans in less than 12 month category. (Also refer Credit Risk under Note 41)

The Group has remeasured the gross carrying amount of PMUY loan as at Balance Sheet date based on revised estimated future contractual cash flows resulting in reduction in PMUY loans by **₹ 489.00 crore** (2021: ₹ 847.08 crore)which has been charged to Statement of Profit and Loss in NOTE - 29.1 under the head " Amortisation and Remeasurement of PMUY Assets".

2 Pursuant to the Board approval for formation of a Joint Venture company between Indian Oil Corporation Ltd (Parent Company) and Coal India Ltd for transfer of explosives business to the said venture Company on slump sale basis at a value of **₹ 311.00 crore** (Net Assets WDV of ₹ 77.49 crore as at March 31, 2021), consent of Niti Ayog was initially received for formation of the JV vide letter dated April 27, 2018. However, the formation of the JV is not carried forward on account of subsequent communication dated July 11, 2018 from MoPNG. The matter is under deliberation and accordingly, the explosive business continues to be in operation as at March 31, 2022. The Net Asset WDV of the business as at March 31, 2022 is **₹ 132.00 crore**.

3 During the year the Parent Company has received an opinion of the Expert Advisory Committee of the Institute of Chartered Accountant of India on the treatment of cost incurred towards land filling, reclamation and dredging on the land allotted on lease for Paradip Refinery including township. The said cost was capitalized prior to implementation of Ind AS as "Leasehold Land" under Tangible Fixed Asset Schedule and was depreciated accordingly. Pursuant to implementation of Ind AS w.e.f. 1st April 2016 the unamortized portion of the cost was accounted under erstwhile Ind AS 17 as "Prepaid Rentals" and was amortized as "Rent Expenses" upto 31st March 2019. Subsequently, the unamortized portion as on 1st April 2019 was accounted as "Right of Use Assets" as per the provision of Ind AS 116. Based on the opinion, the said cost amounting to ₹ 741.00 crore has been capitalized in books of accounts in respective assets class such as Building, Plant & Equipment etc. by corresponding reduction in gross block of "Right of Use Assets". This has resulted in additional depreciation amounting to ₹ 116.00 crore and reduction in rent expenses amounting to ₹ 40.00 crore.

NOTES TO FINANCIAL STATEMENTS

NOTE – 49: OTHER DISCLOSURES (Contd..)

In line with the opinion, cost of land filling jobs amounting to ₹ 36.27 crore, incurred on land taken on lease from Government of Himachal Pradesh, for Una Terminal, earlier treated as cost Right of Use Asset has now been capitalized in books of accounts in respective assets class such as Building, Plant & Equipment etc. The additional charged to P&L on account of depreciation is ₹ 3.46 crore.

4 In FY 2021-22, the Parent Company has signed amendment side letter to LNG Sales and Purchase Agreement (SPA) with Diamond Gas International (DGI) for including make up right in SPA against Monthly Reservation Fees paid for the FOB LNG Cargoes not received due to Force Majeure event during 2020-21 from Cameron LNG Project in USA. Resulting to this amendment, the provision created in FY 2020-21 for ₹ 288.38 crore against advance paid to DGI and for ₹ 19.36 crore on account of additional expenses under LNG SPA have been written back and included in the Revenue from Operations.

5 The Parent Company has reached a settlement against one of its long pending receivables, with full principal amount and interest at a reduced rate. "Net Loss on de-recognition of Financial Assets at Amortised Cost" shown on the face of the Statement of Profit and Loss, mainly comprises of interest so waived amounting to ₹ 167.47 Crore as a part of the settlement.

6 A Memorandum of Understanding (MoU) dated October 9, 2020 is entered between the Parent Company and the Government of India, setting various performance parameters for the Parent Company including capital expenditure (Capex) by the group. In this regard, the amount of Capex on major capital projects and creation of additional facilities by the Parent Company, subsidiary and its proportionate share of similar Capex by its Joint Ventures and Associates during the financial year 2021-22 are given below:

(₹ in crore)

Name of the Company/ Subsidiary	Total Capex	IOCL Share (%)	IOCL Share
Indian Oil Corporation Limited	26,621.46		26,621.46
Chennai Petroleum Corporation Limited	17.88	51.89	9.28
Indian Oil (Mauritius) Limited	15.35	100.00	15.35
Lanka IOC PLC	10.87	75.12	8.17
IOC Middle East FZE	0.01	100.00	0.01
IOCL (USA) Inc	2.06	100.00	2.06
Ind Oil Global BV	622.02	100.00	622.02
IOC Singapore Pte Limited	819.05	100.00	819.05
Proportionate Capex by Joint Ventures & Associates listed in Note 33B	3,378.09		3,378.09
Total Capex by IOCL and its Subsidiaries and proportionate share of Joint Ventures & Associates	31,486.79		**31,475.49**

NOTES TO FINANCIAL STATEMENTS

NOTE – 49: OTHER DISCLOSURES (Contd..)

6 Due to Outbreak of COVID-19 pandemic and consequent national lockdown, the operations of the Group during FY 2020-21 were considerably affected due to demand reduction. The demand for the petroleum products resumed to near normal levels from second half of that year and impact of the pandemic in current financial year isminimal.

7 Purchase of crude oil from Panna Mukta and some other small oilfields has been accounted for provisionally pending finalisation of agreements with respective parties. The management estimates that no significant adjustments will arise upon finalisation of these agreements.

8 Transactions with other Oil Marketing Companies are jointly reconciled on an ongoing basis.

9 There are no other significant subsequent events that would require adjustments or disclosures in the Financial Statements as at Balance Sheet date, other than those disclosed above.

10 Previous year's comparative figures have been regrouped wherever necessary. Figures in brackets indicate deductions/losses.

For and on Behalf of Board of Directors

Sd/-	Sd/-	Sd/-
(S. M. Vaidya)	**(S. K. Gupta)**	**(Kamal Kumar Gwalani)**
Chairman	Director (Finance)	Company Secretary
DIN- 06995642	DIN- 07570165	ACS-13737

As per our attached Report of even date

For G.S.MATHUR & CO.	**For K.C.MEHTA & CO.**	**For SINGHI & CO.**	**For S R B & ASSOCIATES**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 008744N)	(Firm Regn. No. 106237W)	(Firm Regn. No. 302049E)	(Firm Regn. No. 310009E)
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Shrenik Mehta)**	**(R. S. Sahoo)**
Partner	Partner	Partner	Partner
M.No. 091007	M.No. 101533	M. No. 063769	M. No. 053960

Place: New Delhi
Dated: 17th May 2022

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF INDIAN OIL CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of financial statements of Indian Oil Corporation Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 17 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Indian Oil Corporation Limited for the year ended 31 March 2022 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. After the audit, comment of C&AG was issued on 18 July 2022 pointing out that the company has not disclosed negative balance in LPG Buffer Account in Notes to Financial Statements and non-considering of renewable purchase obligation of ₹ 471.77 crore (₹ 501.89 crore including GST) i.e. to the extent of co-generation using source of other than renewable energy. Based on the comments, the company disclosed these facts vide Note No- 17 and 23 on Renewable Purchase Obligation and LPG Buffer Account respectively. The same was also endorsed by statutory auditors.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon supplement to statutory auditor's report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
(D. K. Sekar)
Director General of Audit (Energy)
Delhi

Place: New Delhi
Dated: 27-07-2022

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIAN OIL CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of Consolidated Financial Statements of Indian Oil Corporation Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 17 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Indian Oil Corporation Limited for the year ended 31 March 2022 under section 143(6)(a) read with section 129(4) of the Act. We conduct a supplementary audit of the financial statements of companies mentioned in Annexure A, but did not conduct supplementary audit of the financial statements of the companies mentioned in Annexure B for the year ended on that date. Further, Section 139(5) and 143(6)(a) of the Act are not applicable to the companies mentioned in Annexure-C being private entities/ entities incorporated in foreign countries under the respective laws for appointment of their statutory auditors and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independentiy without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. After the audit, comment of C&AG was issued on 18 July 2022 pointing out that the company has not disclosed negative balance in LPG Buffer Account in Notes to Financial Statements and non-considering of renewable purchase obligation of ₹ 471.77 crore (₹ 501.89 crore including GST) i.e. to the extent of co-generation using source of other than renewable energy. Based on the comments, the company disclosed these facts vide Note No- 17 and 23 on Renewable Purchase Obligation and LPG Buffer Account respectively. The same was also endorsed by statutory auditors.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon supplement to statutory auditor's report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
(D. K. Sekar)
Director General of Audit (Energy)
New Delhi

Place: New Delhi
Dated: 27 July 2022

Annexure-A

Name of the Company/ Subsidiaries/ JVs/ Associate Companies of which supplementary audit has been conducted by the Comptroller and Audit General of India

Sl. No.	Name of the Joint Venture/ Subsidiary	Type of the Company
1.	Indian Oil Corporation Limited	Holding Company
2.	Chennai Petroleum Corporation Limited	Subsidiary
3.	Mumbai Aviation Fuel Farm Facility Private Limited	Joint Venture
4.	GSPL India Transco Limited	Joint Venture
5.	Kochi Salem Pipeline Private Limited	Joint Venture
6.	Hindustan Urvarak & Rasayan Limited	Joint Venture
7.	Indradhanush Gas Grid Limited	Joint Venture
8.	IHB Private Limited	Joint Venture

Annexure-B

Name of the Company/ Subsidiaries/ JVs/ Associate Companies of which supplementary audit has not been conducted by the Comptroller and Audit General of India

Sl. No.	Name of the Joint Venture/Subsidiary	Type of the Company
1.	Green Gas Limited	Joint Venture
2.	Delhi Aviation Fuel Farm Facility Private Limited	Joint Venture
3.	NPCIL Nuclear Power Corporation Limited	Joint Venture
4.	Ratnagiri Refinery and Petrochemicals Limited	Joint Venture
5.	Petronet VK Limited	Associate Company
6.	GSPL India Gasnet Limited	Joint Venture
7.	Paradeep Plastics Park Private Limited	Joint Venture

Annexure-C

(i) List of all Subsidiaries/ JVs/ Associate Companies to which Section 139(5) and 143(6)(a) of Companies Act are not applicable

Sl. No.	Name of the Joint Venture/Subsidiary	Type of the Company
1.	Petronet LNG Limited	Associate Company
2.	Indian Oil Tanking Limited	Joint Venture
3.	Indian Oil Petronas Private Limited	Joint Venture
4.	Lubrizol India Private Limited	Joint Venture
5.	Avi-Oil India Private Limited	Associate Company
6.	Indian Oil Skytanking Private Limited	Joint Venture
7.	Indian Synthetic Rubber Private Limited	Joint Venture
8.	Indian Oil Adani Gas Private Limited	Joint Venture
9.	Indian Oil LNG Private Limited	Joint Venture
10.	Indian Oil Total Private Limited	Joint Venture
11.	IOC Phinery Private Limited	Joint Venture

(ii) Entities incorporated outside India

Sl. No.	Name of the Joint Venture/Subsidiary	Type of the Company
1.	Indian Oil Mauritius Limited	Subsidiary
2.	Lanka IOC PLC	Subsidiary
3.	IOC Middle East FZE	Subsidiary
4.	IOC Sweden AB	Subsidiary
5.	IOCL (USA) Inc	Subsidiary
6.	IndOil Global BV	Subsidiary
7.	IOCL Singapore Pte Limited	Subsidiary
8.	Suntera Nigeria 205 Limited	Joint Venture



Indian Oil Corporation Limited

[CIN – L23201MH1959GOI011388]

Regd. Office: 'IndianOil Bhavan', G-9, Ali Yavar Jung Marg, Bandra (E), Mumbai - 400051
Tel: 022-26447327, Email Id: investors@indianoil.in, Website: www.iocl.com

NOTICE

NOTICE is hereby given that the 63rd Annual General Meeting ("**AGM**") of the members of Indian Oil Corporation Limited ("**IndianOil**" / "**Company**") will be held on Thursday, August 25, 2022 at 10:00 AM (IST) through Video Conference / Other Audio Visual Means ("**VC/OAVM**") to transact the business mentioned below. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company at IndianOil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai - 400051.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone as well as Consolidated Financial Statements of the Company for the year ended March 31, 2022 together with Reports of the Directors and the Auditors thereon.

2. To declare the Final Dividend of ₹ 2.40 per equity share for the year 2021-2022.

3. To appoint a Director in place of Shri Sandeep Kumar Gupta (DIN - 07570165) who retires by rotation and is eligible for reappointment.

4. To appoint a Director in place of Dr. S.S.V. Ramakumar (DIN - 07626484), who retires by rotation and is eligible for reappointment.

SPECIAL BUSINESS

5. Approval for material Related Party Transactions with Lanka IOC PLC., a subsidiary company of IndianOil, for the year 2022-23 & 2023-24.

   To consider, and if thought fit, to pass the following resolutions as **Ordinary Resolutions:**

   "**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), other applicable laws, and amendments, modifications or re-enactments thereof, if any, and the policy on 'Materiality of related party transactions and on dealing with related party transactions' of the Company, as may be applicable, consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any duly constituted Committee authorised by the Board, from time to time, to exercise its powers conferred by this resolution), for continuation(s) or extension(s) or renewal(s) or modification(s) of earlier arrangements / transactions or as a fresh and independent transaction(s) or otherwise, whether entered into individually or taken together with previous transactions with Lanka IOC PLC., a subsidiary of IndianOil, for financial year 2022-23 & 2023-24, notwithstanding the fact that all such transactions during the year 2022-23 and 2023-24, may exceed ₹ 1000 crore per year, subject to a limit of 10% of the consolidated turnover of the Company of the preceding financial year."

   "**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of its powers to any Committee of Directors and/or Director(s) and/or official(s) of the Company or to any other person(s) so authorized by it and to do all such acts, deeds, matters and things, the Board may in its absolute discretion deem necessary, including but not limited to finalizing the terms and conditions, methods and modes, finalizing and executing necessary documents, including contracts, schemes, agreements and such other papers, documents as may be required, filing any relevant documents and making representations, seeking all necessary approvals from relevant authorities, to give effect to aforesaid resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts, whatsoever that may arise without being required to seek further consent or approval of the members to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

6. Approval for material Related Party Transactions with Hindustan Urvarak Rasayan Limited, a Joint Venture Company of IndianOil, for the year 2022-23 & 2023-24.

   To consider, and if thought fit, to pass, the following resolutions as **Ordinary Resolutions:**

   "**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), other applicable laws, and amendments, modifications or re-enactments thereof, if any, and the policy on 'Materiality of related party transactions and on dealing with related party transactions' of the Company, as may be applicable,

consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any duly authorized Committee constituted / empowered by the Board, from time to time, to exercise its powers conferred by this resolution), for continuation(s) or extension(s) or renewal(s) or modification(s) of earlier arrangements / transactions or as a fresh and independent transaction(s) or otherwise, whether entered into individually or taken together with previous transactions with Hindustan Urvarak Rasayan Limited, a Joint Venture Company of IndianOil, for financial year 2022-23 & 2023-24, notwithstanding the fact that all such transactions during the year 2022-23 and 2023-24, may exceed ₹ 1000 crore per year, subject to a limit of 10% of the consolidated turnover of the Company of the preceding financial year."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of its powers to any Committee of Directors and/or Director(s) and/or official(s) of the Company or to any other person(s) so authorized by it and to do all such acts, deeds, matters and things, the Board may in its absolute discretion deem necessary, including but not limited to finalizing the terms and conditions, methods and modes, finalizing and executing necessary documents, including contracts, schemes, agreements and such other papers, documents as may be required, filing any relevant documents and making representations, seeking all necessary approvals from relevant authorities, to give effect to aforesaid resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts, whatsoever that may arise without being required to seek further consent or approval of the members to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

7. Approval for material Related Party Transactions with Falcon Oil & Gas B.V. Joint Venture Company of IndOil Global B.V., a WOS of IndianOil for the year 2023-24.

   To consider, and if thought fit, to pass, the following resolutions as **Ordinary Resolutions:**

   "**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), other applicable laws, and amendments, modifications or re-enactments thereof, if any, and the policy on 'Materiality of related party transactions and on dealing with related party transactions' of the Company, as may be applicable, consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any duly authorized Committee constituted / empowered by the Board, from time to time, to exercise its powers conferred by this resolution), for continuation(s) or extension(s) or renewal(s) or modification(s) of earlier arrangements / transactions or as a fresh and independent transaction(s) or otherwise, whether entered into individually or taken together with previous transactions with Falcon Oil & Gas B.V., a Joint Venture Company of IndOil Global B.V., Netherlands (WOS of IndianOil), for financial year 2023-24, notwithstanding the fact that all such transactions during the year 2023-24 may exceed ₹ 1000 crore, subject to a limit of 10% of the consolidated turnover of the Company of the preceding financial year."

   "**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of its powers to any Committee of Directors and/or Director(s) and/or official(s) of the Company or to any other person(s) so authorized by it and to do all such acts, deeds, matters and things, the Board may in its absolute discretion deem necessary, including but not limited to finalizing the terms and conditions, methods and modes, finalizing and executing necessary documents, including contracts, schemes, agreements and such other papers, documents as may be required, filing any relevant documents and making representations, seeking all necessary approvals from relevant authorities, to give effect to aforesaid resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts, whatsoever that may arise without being required to seek further consent or approval of the members to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

8. Approval for material Related Party Transactions with IndianOil Petronas Pvt. Ltd., a Joint Venture Company of IndianOil, for the year 2023-24.

   To consider, and if thought fit, to pass, the following resolutions as **Ordinary Resolutions:**

   "**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), other applicable laws, and amendments, modifications or re-enactments thereof, if any, and the policy on 'Materiality of related party transactions and on dealing with related party transactions' of the Company, as may be applicable, consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any duly authorized Committee constituted / empowered by the Board, from time to time, to exercise its powers conferred by this resolution), for continuation(s) or extension(s) or renewal(s) or modification(s) of earlier arrangements / transactions or as a fresh and independent transaction(s) or otherwise, whether entered into individually or taken together with previous transactions with IndianOil Petronas Pvt. Ltd., a Joint Venture Company of IndianOil, for financial year 2023-24, notwithstanding the fact that all such transactions during the year 2023-24 may exceed ₹ 1000 crore, subject to a limit of 10% of the consolidated turnover of the Company of the preceding financial year.".

   "**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of its powers to any Committee of Directors and/or Director(s) and/or official(s) of the Company or to any other person(s) so authorized by it and to do all such acts, deeds, matters and things, the Board may in its absolute discretion deem necessary, including but not limited to finalizing the terms and conditions, methods and modes, finalizing and executing necessary documents, including contracts, schemes, agreements and such other papers, documents as may be required, filing any relevant documents and making representations, seeking all necessary approvals from relevant authorities, to give effect to aforesaid resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts, whatsoever that may arise without being required to seek further consent or approval of the members to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

9. Approval for material Related Party Transactions with Petronet LNG Ltd., a Joint Venture Company of IndianOil, for the year 2023-24.

   To consider, and if thought fit, to pass, the following resolutions as **Ordinary Resolutions:**

   "**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), other applicable laws, and amendments, modifications or re-enactments thereof, if any, and the policy on 'Materiality of related party transactions and on dealing with related party transactions' of the Company, as may be applicable, consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any duly authorized Committee constituted / empowered by the Board, from time to time, to exercise its powers conferred by this resolution), for continuation(s) or extension(s) or renewal(s) or modification(s) of earlier arrangements / transactions or as a fresh and independent transaction(s) or otherwise, whether entered into individually or taken together with previous transactions with Petronet LNG Ltd., a Joint Venture Company of IndianOil, for financial year 2023-24, notwithstanding the fact that all such transactions during the year 2023-24 may exceed ₹ 1000 crore, subject to a limit of 10% of the consolidated turnover of the Company of the preceding financial year.".

   "**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of its powers to any Committee of Directors and/or Director(s) and/or official(s) of the Company or to any other person(s) so authorized by it and to do all such acts, deeds, matters and things, the Board may in its absolute discretion deem necessary, including but not limited to finalizing the terms and conditions, methods and modes, finalizing and executing necessary documents, including contracts, schemes, agreements and such other papers, documents as may be required, filing any relevant documents and making representations, seeking all necessary approvals from relevant authorities, to give effect to aforesaid resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts, whatsoever that may arise without being required to seek further consent or approval of the members to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

10. Approval for material Related Party Transactions with IndianOil Adani Gas Pvt. Ltd., a Joint Venture Company of IndianOil, for the year 2023-24.

    To consider, and if thought fit, to pass, the following resolutions as **Ordinary Resolutions:**

    "**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), other applicable laws, and amendments, modifications or re-enactments thereof, if any, and the policy on 'Materiality of related party transactions and on dealing with related party transactions' of the Company, as may be applicable, consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any duly authorized Committee constituted / empowered by the Board, from time to time, to exercise its powers conferred by this resolution), for continuation(s) or extension(s) or renewal(s) or modification(s) of earlier arrangements / transactions or as a fresh and independent transaction(s) or otherwise, whether entered into individually or taken together with previous transactions with IndianOil Adani Gas Pvt. Ltd., a Joint Venture Company of IndianOil, for financial year 2023-24, notwithstanding the fact that all such transactions during the year 2023-24 may exceed ₹ 1000 crore, subject to a limit of 10% of the consolidated turnover of the Company of the preceding financial year."

    "**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of its powers to any Committee of Directors and/or Director(s) and/or official(s) of the Company or to any other person(s) so authorized by it and to do all such acts, deeds, matters and things, the Board may in its absolute discretion deem necessary, including but not limited to finalizing the terms and conditions, methods and modes, finalizing and executing necessary documents, including contracts, schemes, agreements and such other papers, documents as may be required, filing any relevant documents and making representations, seeking all necessary approvals from relevant authorities, to give effect to aforesaid resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts, whatsoever that may arise without being required to seek further consent or approval of the members to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

11. Approval for material Related Party Transactions with IndianOil LNG Pvt. Ltd., a Joint Venture Company of IndianOil, for the year 2023-24.

To consider, and if thought fit, to pass, the following resolutions as **Ordinary Resolutions:**

"**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), other applicable laws, and amendments, modifications or re-enactments thereof, if any, and the policy on 'Materiality of related party transactions and on dealing with related party transactions' of the Company, as may be applicable, consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any duly authorized Committee constituted / empowered by the Board, from time to time, to exercise its powers conferred by this resolution), for continuation(s) or extension(s) or renewal(s) or modification(s) of earlier arrangements / transactions or as a fresh and independent transaction(s) or otherwise, whether entered into individually or taken together with previous transactions with IndianOil LNG Pvt. Ltd., a Joint Venture Company of IndianOil, for financial year 2023-24, notwithstanding the fact that all such transactions during the year 2023-24 may exceed ₹ 1000 crore, subject to a limit of 10% of the consolidated turnover of the Company of the preceding financial year."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of its powers to any Committee of Directors and/or Director(s) and/or official(s) of the Company or to any other person(s) so authorized by it and to do all such acts, deeds, matters and things, the Board may in its absolute discretion deem necessary, including but not limited to finalizing the terms and conditions, methods and modes, finalizing and executing necessary documents, including contracts, schemes, agreements and such other papers, documents as may be required, filing any relevant documents and making representations, seeking all necessary approvals from relevant authorities, to give effect to aforesaid resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts, whatsoever that may arise without being required to seek further consent or approval of the members to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

12. Approval for material Related Party Transactions with Indian Synthetic Rubber Pvt. Ltd., a Joint Venture Company of IndianOil, for the year 2023-24.

    To consider, and if thought fit, to pass, the following resolutions as **Ordinary Resolutions:**

    "**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), other applicable laws, and amendments, modifications or re-enactments thereof, if any, and the policy on 'Materiality of related party transactions and on dealing with related party transactions' of the Company, as may be applicable, consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board", which term shall include any duly authorized Committee constituted / empowered by the Board, from time to time, to exercise its powers conferred by this resolution), for continuation(s) or extension(s) or renewal(s) or modification(s) of earlier arrangements / transactions or as a fresh and independent transaction(s) or otherwise, whether entered into individually or taken together with previous transactions with Indian Synthetic Rubber Pvt. Ltd., a Joint Venture Company of IndianOil, for financial year 2023-24, notwithstanding the fact that all such transactions during the year 2023-24 may exceed ₹ 1000 crore, subject to a limit of 10% of the consolidated turnover of the Company of the preceding financial year."

    "**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of its powers to any Committee of Directors and/or Director(s) and/or official(s) of the Company or to any other person(s) so authorized by it and to do all such acts, deeds, matters and things, the Board may in its absolute discretion deem necessary, including but not limited to finalizing the terms and conditions, methods and modes, finalizing and executing necessary documents, including contracts, schemes, agreements and such other papers, documents as may be required, filing any relevant documents and making representations, seeking all necessary approvals from relevant authorities, to give effect to aforesaid resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts, whatsoever that may arise without being required to seek further consent or approval of the members to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

13. To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2023.

    To consider and if thought fit to pass, the following resolution as an **Ordinary Resolution:**

    "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment thereof, for the time being in force, the aggregate remuneration of ₹ 22.70 lakh plus applicable taxes and out-of-pocket expenses payable to the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the various units of the Company for the financial year ending March 31, 2023, be and is hereby ratified."

Registered Office:
IndianOil Bhavan,
G-9, Ali Yavar Jung Marg,
Bandra (East),
Mumbai - 400 051
Date: July 28, 2022

By Order of the Board of Directors

Sd/-
(Kamal Kumar Gwalani)
Company Secretary
(ACS: 13737)

NOTES

1. Pursuant to General Circular No. 14/2020 dated 8 April 2020, General Circular No. 17/2020 dated 13 April 2020, General Circular No. 20/2020 dated 5 May 2020, General Circular No. 02/2021 dated 13 January 2021, General Circular No. 21/2021 dated 14 December 2021 and General Circular No.02/2022 dated 5 May 2022 issued by Ministry of Corporate Affairs ("**MCA**") and Circular Nos. SEBI/HO/CFD/CMD1CIR/P/2020/79 dated 12 May 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13 May 2022 issued by the Securities and Exchange Board of India ("**SEBI**") hereinafter collectively referred to as "the Circulars", companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.

2. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. However, MCA while granting the relaxations to hold the AGM through VC/OAVM has also provided exemption from the requirement of appointing proxies. Hence for this AGM the facility for appointment of proxy by the members is not being provided. Accordingly, the proxy form, attendance slip and the route map of the venue have also not been provided along with the notice. The members are requested to participate in the AGM in person through VC /OAVM from their respective location.

3. In compliance with Regulation 44 of Listing Regulations, the top 100 Listed Companies, as per market capitalization, are required to provide the facility of Live Webcast of the proceedings of the General Meeting. As this AGM is being conducted through VC/OAVM, the requirement of webcast under Listing Regulations is being complied with.

4. Members of the Company under the category of Institutional / Corporate Members are encouraged to attend and vote at the AGM, through VC/OAVM. Institutional / Corporate Members are required to send a scanned copy (PDF/JPG format) of its Board or Governing Body Resolution / Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorization should be sent to the Scrutinizer by email from the registered email address of the member to scrutinizer@dholakia-associates.com with a copy marked to evoting@nsdl.co.in . They can also upload the Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login page.

5. A statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013 and the rules notified thereunder ("**the Act**"), relating to the Special Business to be transacted at the AGM is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director(s) seeking re-appointment at this AGM is also annexed.

6. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM.

7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection to the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without payment of any fee by the members from the date of circulation of this Notice up to the date of AGM i.e. August 25, 2022. Members seeking to inspect such documents can send an email to ioclagm@indianoil.in.

8. The Board of Directors of the Company has recommended a final dividend of ₹ 2.40 per share. The Company has fixed **Friday, August 12, 2022 as the 'Record Date'** for determining entitlement of members to receive final dividend for the financial year ended March 31, 2022, if approved, at the AGM. The final dividend, once approved by the members in the ensuing AGM, will be paid to the eligible members within the stipulated period of 30 days of declaration.

9. The final dividend will be paid through electronic mode to those members whose updated bank account details are available. For members whose bank account details are not updated, dividend warrants / demand drafts will be sent to their registered address. To avoid delay in receiving dividend, members are requested to register / update their bank account details.

10. Members may send their requests for change / updation of address, bank account details, email address, nominations, etc.:

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

    ii) **For shares held in physical form -** to the Registrar & Transfer Agents ("**RTA**") i.e. KFin Technologies Ltd. (KFin), Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032 ; Toll Free No. 1800 309 4001 ; E-mail Address : einward.ris@kfintech.com.

11. Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company is taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("**TDS**") at the time of making the payment of dividend. In order to enable us to determine the applicable TDS rate, members are requested to submit the relevant documents on or before August 12, 2022. The detailed communication regarding TDS on dividend is provided on the link: https://iocl.com/pages/notices-overview .

Kindly note that no documents in respect of TDS would be accepted from members after August 12, 2022.

12. As per Regulation 40 of Listing Regulations, as amended, request for effecting transfer of securities shall not be processed unless the securities are held in demat form with a depository. Further, transmission or transposition of securities shall be affected only in dematerialised form. In view thereof and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to convert their holdings to dematerialized form. Members can contact the Company or the RTA for assistance in this regard.

13. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by March 31, 2023, and linking PAN with Aadhaar vide its circular dated November 3, 2021 and December 14, 2021. Members are requested to submit their PAN, KYC and nomination details to the Company's registrars KFin at einward.ris@kfintech.com. The forms for updating the same are available at https://iocl.com/pages/KYC-updation-for-physical-shareholders. Members holding shares in electronic form are requested to submit their PAN to their depository participant(s). In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, the Company is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.

14. As per the provisions of Section 72 of the Act, the facility for submitting nomination is available for members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The form can be downloaded from the Company's website at https://iocl.com/download/Form_SH-13_Nomination.pdf. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, in case the shares are held in physical form.

15. As per the provisions of section 124(5) of the Act, the dividend(s) which remains unpaid / unclaimed for a period of 7 years is required to be transferred to the Investor Education & Protection Fund ("**IEPF**") established by the Central Government at the end of the 7th year. Accordingly, the Company has transferred all unpaid / unclaimed dividend declared upto the financial year 2013-14 to IEPF on the respective due dates.

    Further, section 124(6) of the Act provides that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to the demat account of IEPF authority. The Company had sent reminder letter to all such members, whose dividend had remained unpaid / unclaimed for a consecutive period of 7 years with a request to claim the dividend, failing which the shares would be transferred to the IEPF Authority on the due date. Thereafter, such shares were transferred to the demat account of the IEPF authority on October 23, 2021. The details of such shares are hosted on the website of the Company www.iocl.com.

    It may please be noted that, upon completion of 7 years, the Company would transfer the unpaid / unclaimed dividend for the financial year 2014-15 on or before November 14, 2022. Further, the shares in respect of which dividend has remained unpaid / unclaimed for a consecutive period of 7 years would also be transferred to the demat account of IEPF authority on or before November 14, 2022. The details of such unpaid / unclaimed dividend(s) as well as shares liable to be transferred to the IEPF are hosted on the website of the Company www.iocl.com.

    Section 125 of the Act provides that a member whose dividend / shares have been transferred to the IEPF shall be entitled to claim refund therefrom. The procedure for claiming the unpaid dividend and shares transferred to the IEPF Authority is provided on the following link: http://www.iepf.gov.in/IEPF/refund.html .

    To avoid transfer of unpaid dividends / equity shares, the members are requested to write to the RTA at the address mentioned above or to the Company for claiming the unpaid / unclaimed dividend.

16. Pursuant to Sections 101 and 136 of the Act read with Companies (Management and Administration) Rules, 2014 and Listing Regulations, the Annual Report of the Company is required to be sent through email to those members whose email address is registered and in physical form to those members who have not registered their email address. However, in compliance with the circulars issued by MCA as well as SEBI, the Notice of the AGM along with the Integrated Annual Report 2021-22 is being sent only through electronic mode to those members whose email address is registered with the Company/ Depositories unless any Member has requested for a physical copy of the same. Members may note that the Notice and Integrated Annual Report 2021-22 are also available on the Company's website www.iocl.com, website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of National Securities Depository Limited ("NSDL") https://www.evoting.nsdl.com.

1. Instructions for e-voting and joining the AGM are as under:

i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the Listing Regulations, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

ii. **The cut-off date to be eligible to vote by electronic means is Friday, August 19, 2022**.

iii. The voting rights of members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on the cut-off date i.e. **August 19, 2022**. A person who is not a member as on the cut-off date is requested to treat this notice for information only.

iv. The remote e-voting period would commence on **9:00 am (IST) on Sunday, August 21, 2022 and shall end at 5 pm (IST) on Wednesday, August 24, 2022**. During this period, members holding shares either in physical form or in dematerialized form, as on cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those members, who intend to participate in the AGM through VC/OAVM facility and could not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

v. The Company has appointed Shri Nrupang Dholakia of Dholakia & Associates LLP, as Scrutinizer and in his absence Shri Vishvesh G. Bhagat of Dholakia & Associates LLP, a practicing Company Secretary, to scrutinize the voting process in a fair and transparent manner.

vi. The members who cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

vii. Any person, holding shares in physical form and non-individual members, who acquires the shares of the Company after the dispatch of the notice and holds shares as on the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. If a member is already registered with NSDL for remote e-voting, then such member can use existing user ID and password for e-voting. If you forget the password, the same can be reset by using "Forgot User Details / Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or by calling on toll free no. 1800 1020 990 / 1800 22 44 30.

viii. An individual member holding shares in demat mode, who acquires the shares of the Company after dispatch of the notice and holding shares as on the cut-off date may follow steps mentioned below.

ix. Details of the process and manner for remote e-voting and voting during the AGM are explained below:

Step 1: Access to the e-voting system

A) Login method for e-voting and joining virtual meeting by Individual Members holding securities in demat mode

In terms of the SEBI circular dated December 9, 2020 on e-voting facility provided by listed companies and as part of increasing the efficiency of the voting process, e-voting process has been enabled for all individual Members holding securities in demat mode to vote through their demat account maintained with depositories / websites of depositories / depository participants. Members are advised to update their mobile number and email ID in their demat accounts in order to access e-voting facility.

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL.	**I. NSDL IDeAS facility** **If the user is registered for the NSDL IDeAS facility:** a. Please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a personal computer or mobile phone. b. Once the homepage of e-Services is launched, click on the "**Beneficial Owner**" icon under "**Login**" which is available under "**IDeAS**" section. c. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. d. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. e. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of Members	Login Method
	If the user is not registered for IDeAS e-Services: a. The option to register is available at https://eservices.nsdl.com. b. Select "**Register Online for IDeAS**" Portal or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp c. Upon successful registration, please follow steps given in points (a) to (e) above. **II. E-voting website of NSDL** i. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or mobile phone. ii. Once the homepage of e-Voting system is launched, click on the "**Login**" icon available under '**Shareholder / Member**' section. iii. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. iv. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Members holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, can login through their user id and password. The option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login on Easi / Easiest, the user will be also able to see the e-Voting Menu. The Menu will have links of **e-Voting service provider**("**ESP**") i.e. **NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile number and email as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Important note: Members who are unable to retrieve User ID / Password are advised to use "**Forgot User ID**" and "**Forgot Password**" option available on the above-mentioned website.

Helpdesk for individual Members holding securities in demat mode for any technical issues related to login through depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 or 1800 22 44 30
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login method for e-voting and joining the virtual meeting for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.

1. Visit the e-voting website of NSDL. Open the web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile phone.
2. Once the homepage of e-voting system is launched, click on the icon "Login", available under 'Shareholder / Member'.
3. A new screen will open. You will have to enter your User ID, Password / OTP and a verification code as shown on the screen.
4. Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log in to NSDL e-services using your login credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically on NSDL e-voting system.
5. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID (For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******)
b) For members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID (For example, if your Beneficiary ID is 12********** then your user ID is 12**********)
c) For members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company (For example, if EVEN is 123456 and folio number is 001*** then user ID is 123456001***)

6. Password details for Members other than individual Members are given below:
   a) If you are already registered for e-voting, then you can use your existing password to log in and cast your vote.
   b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' for the system to prompt you to change your password.
   c) How to retrieve your 'initial password'?

      If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit Client ID for your NSDL account, or the last 8 digits of your Client ID for CDSL account, or Folio Number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
7. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "Forgot User Details / Password?" (If you hold shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password? (If you hold shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by the above two options, you can send a request to evoting@nsdl.co.in mentioning your demat account number / Folio Number, your PAN, your name and your registered address.
   d) Members can also use the OTP (One Time Password)-based login for casting their vote on the e-voting system of NSDL.
8. After entering your password, tick on "Agree with Terms and Conditions" by selecting on the check box.
9. Now, you will have to click on the "Login" button.
10. After you click on the "Login" button, the homepage of e-voting will open.

Step 2: Cast your vote electronically on NSDL e-voting system

1. After successfully logging in following Step 1, you will be able to see the EVEN of all companies in which you hold shares and whose voting cycle is in active status.
2. Select the EVEN of Indian Oil Corporation Limited
3. Now you are ready for e-voting as the voting page opens.

4. Cast your vote by selecting the appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on the "Submit" and "Confirm" buttons when prompted.

5. Upon confirmation, the message, "Vote cast successfully", will be displayed.

6. You can also take a printout of the votes cast by you by clicking on the "Print" option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

11. Registration of Email ID:

a) In case, the member's email ID is already registered with the Company/its RTA / Depositories, log in details for remote e-voting are being sent on the registered email address.

b) In case the members have not registered their email address, they are requested to register their email address as follows:

Physical holding	Members, holding shares in physical mode are requested to get their email ids registered by visiting following link- https://risop.kfintech.com/clientservices/isc/default.aspx
Demat holding	Members, holding shares in dematerialized mode are requested to register/update their email ids with their respective Depository Participant.

12. Guidelines for e-voting

1. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details / Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

2. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available in the download section of www.evoting.nsdl.com or call on the toll-free number: 1800 1020 990 / 1800 224 430, or contact Mr Amit Vishal, Assistant Vice President, or Ms Pallavi Mhatre, Manager, NSDL, at the designated email IDs: evoting@nsdl.co.in to get your grievances on e-voting addressed.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, members can click on "VC/OAVM link" placed under "Join General Meeting" menu against company name. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed.

   Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above to avoid last minute rush.

2. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for members on first come first serve basis.

3. Members who need assistance before or during the AGM, can call on the toll free number 1800 1020 990 / 1800 224 430 or contact Mr Amit Vishal, Assistant Vice President, NSDL or Mr Abhijeet Gunjal, Assistant Manager, NSDL at evoting@nsdl.co.in.

4. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID / folio number, PAN, mobile number at ioclagm@indianoil.in **from August 20, 2022 to August 23, 2022**. Those members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Other Instructions:

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the electronic votes cast during the AGM and thereafter unblock and count the votes cast through remote e-voting and make a consolidated Scrutinizer's Report and submit the same to the Chairman or any other person authorized by him. The result will be declared within the prescribed time limit.

2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.iocl.com and on the website of NSDL www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

A BRIEF RESUME OF DIRECTORS PROPOSED TO BE REAPPOINTED IS GIVEN BELOW:

Item No. 3 **To appoint a Director in place of Shri Sandeep Kumar Gupta (DIN - 07570165) who retires by rotation and is eligible for reappointment**

Shri Sandeep Kumar Gupta, Director (Finance), aged 56 years was inducted on the Board of the Company on August 3, 2019. He is a Commerce Graduate & a Chartered Accountant. He has more than 3 decades of rich work experience in finance function in IndianOil acquired during his posting at various Refinery units, Refineries Headquarters and Corporate Office which includes corporate accounts, planning & analysis, treasury functions, financial concurrence, risk management, etc. Prior to joining as Director (Finance), he was the Executive Director (Corporate Finance) wherein he spearheaded several stakeholder-friendly initiatives like the maiden Buyback of Shares, first Integrated Annual Report, transition to IndAS, etc.

Shri Gupta is also a Director on the Board of IndOil Global B.V. Netherlands, IOC Middle East FZE, Dubai & IOCL Singapore Pte Ltd. (Wholly owned subsidiaries of IndianOil). Shri Gupta is also a Director on the Board of IndOil Montney Ltd., a subsidiary of IndianOil's Wholly owned subsidiary, Indoil Global B.V., Netherlands.

Number of Board Meetings attended during 2021-2022	9
Details of Directorships in other listed companies	NIL
Membership / Chairmanship in the Committees of other companies	NIL
No. of Shares held in the Company	16308
Listed entities from which Shri Gupta has resigned since last 3 years	NIL
Disclosure of inter-se relationships between directors and key managerial personnel	None

Item No. 4 **To appoint a Director in place of Dr. S.S.V. Ramakumar (DIN - 07626484), who retires by rotation and is eligible for reappointment**

Dr. S. S. V. Ramakumar, Director (Research & Development), aged 59 years was inducted on the Board of the Company on 01.02.2017. He is a Ph.D in Chemistry from the University of Roorkee (currently IIT Roorkee). He joined IndianOil, R&D Centre in 1988 and has more than 3 decades of experience in research and development and downstream hydrocarbon sector notably in the areas of Refinery process research streams, Automotive Lubricants, Nano-technology Research, Technology promotion & forecasting, Tribology etc. He has authored IndianOil R&D journey book 'Inventing the Future' and has over 95 research publications in national and international journals.

He is also a Non-Executive Director on the Board of Lanzatech New Zealand Ltd.

Number of Board Meetings attended during 2021-2022	9
Details of Directorships in other listed companies	NIL
Membership / Chairmanship in the Committees of other companies	NIL
No. of Shares held in the Company	13950
Listed entities from which Shri Ramakumar has resigned since last 3 years	NIL
Disclosure of inter-se relationships between directors and key managerial personnel	None

STATEMENT SETTING OUT THE MATERIAL FACTS RELATING TO THE SPECIAL BUSINESS IN PURSUANCE OF SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 5, 6, 7, 8, 9, 10, 11 & 12 **Approval for Material Related Party Transactions with Related Parties for the year 2022-23 and 2023-24**

As per Section 188 of the Act, Related Party Transactions (**RPT**) such as sale / purchase of goods or services, disposal or lease of property of any kind, appointment of any agent for purchase or sale of any goods, materials, services or property, appointment to an office of profit and underwriting the subscription of securities / derivatives of the Company, shall require prior approval of members, if transactions exceeded such sums, as prescribed. Further, such transactions are exempt from the requirement of obtaining prior approval of members, if they are in ordinary course of business and at arms' length.

Further, Reg. 23 of Listing Regulations contains provision relating to prior approval of members for material RPT's even if such transactions are in ordinary course of business and at arms' length.

As per Listing Regulations, an RPT with a Related Party (**RP**) shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹ 1000 crore or 10% of the annual consolidated turnover of the Company as per the last audited financial statements, whichever is lower.

SEBI vide circular dated April 08, 2022 has further clarified the following w.r.t. members approval for material RPT's:

i. Members approval of omnibus RPTs approved in an AGM shall be valid upto the date of the next AGM for a period not exceeding fifteen months.

ii. In case of omnibus approvals for material RPTs obtained from members in general meetings other than AGMs, the validity of such omnibus approvals shall not exceed one year.

IndianOil undertakes transactions with its RPs i.e. Subsidiary and Joint Venture Companies in the course of its business for which approval of Audit Committee is obtained in compliance with extant provisions of the Act & Listing Regulations. In view of the abovementioned SEBI circular, for material RPT's with RP's, prior approval of members would also be required for each financial year.

Approval for Material RPT's with additional RP's during 2022-23

The Company had obtained the approval of members through postal ballot in the month of April 2022 for the expected Material RPTs for the year 2022-23 as per the following details.

Sl. No.	Name of the Related Party	Expected Value of Transactions for the year 2022-23 (₹ in crore)	Maximum value of the transactions
1.	Falcon Oil & Gas B.V., Netherland	4000	10% of the consolidated turnover of the Company in the preceding financial year.
2.	IndianOil Petronas Pvt. Ltd.	3100	
3.	Petronet LNG Ltd. (PLL)	21000	
4.	IndianOil Adani Gas Pvt. Ltd.	1200	
5.	IndianOil LNG Pvt. Ltd.	2000	

Subsequent to the members approval, it emerged that RPT's with the following two RP's during 2022-23 may also cross the threshold limit of ₹ 1000 crore, which would necessitate obtaining prior approval of members:

i. Lanka IOC PLC, Sri Lanka
ii. Hindustan Urvarak Rasayan Limited

Accordingly, members approval for the material RPT's with aforementioned RP's is sought. The Audit Committee and the Board of the Company have reviewed the material RPT's and recommended seeking members approval for the same.

The summary of information required under the Listing Regulations w.r.t RPT's which are likely to exceed ₹ 1000 crore during 2022-23 and require approval of members is as under:

a) Lanka IOC PLC, Sri Lanka

i.	Name of the RP	Lanka IOC PLC, Sri Lanka (LIOC)
ii.	Nature of Relationship	Subsidiary Company of IndianOil
iii.	Nature of business	Retailing, Terminalling & Bunkering activities of POL products
iv.	Type of RPT's	- Sale and Purchase of goods and services - Reimbursement of salary of employees on deputation to LIOC
v.	Material terms and conditions	- The sale of petroleum product like Gasoil, Gasoline, Base Oil, Marine Gasoil etc. is as per the terms and conditions of the tender floated by LIOC. - Purchase of product would be at prevailing market rates - Reimbursement of salary of employees on deputation is on cost-to-cost basis.
vi.	Expected value of RPT for 2022-23	₹ 1500 crore
vii.	Tenure of the RPT	One year i.e. for 2022-23
viii.	Justification for RPT with the RP	For furtherance of business interest of the Company and also for strengthening the presence of LIOC in Sri Lanka for meeting consumer needs during the current financial crisis in Sri Lanka.
ix.	Value of RPT as % of IndianOil's consolidated turnover of ₹ 736730.84 crore for the year 2021-22	0.20%
x.	Value of RPT as % of LIOC's turnover of ₹ 3304.54 crore for the year 2021-22	45.39%
xi.	Maximum value of RPT during 2022-23	10% of the consolidated turnover of the Company in the preceding financial year.

b) Hindustan Urvarak Rasayan Limited

i.	Name of the RP	Hindustan Urvarak Rasayan Limited (HURL)
ii.	Nature of Relationship	Joint Venture Company of IndianOil
iii.	Nature of business	Setting up and operating fertilizer plants at Sindri, Gorakhpur and Barauni
iv.	Type of RPT's	- Equity Investment - Sale of goods and services - Reimbursement of salary of employees on deputation to HURL.
v.	Material terms and conditions	- Equity investment based on the calls made by HURL. - Sale of products is done based on prevailing market prices on the date of supply. - Reimbursement of salary of employees on deputation is on cost-to-cost basis.
vi.	Details of source of funds for equity investment	Retained earnings
vii.	Expected value of RPT for 2022-23	₹ 1500 crore
viii.	Tenure of the RPT	One year i.e. for 2022-23
ix.	Justification for RPT with the RP	For furtherance of business interest of the Company
x.	Value of RPT as % of IndianOil's consolidated turnover of ₹ 736730.84 crore for the year 2021-22	0.20%
xi.	Maximum value of RPT during 2022-23	10% of the consolidated turnover of the Company in the preceding financial year.

Material RPT's with RP's during 2023-24

As the expected value of the transactions with the RP's as mentioned at item no. 5, 6, 7, 8, 9, 10, 11 & 12, is likely to exceed ₹ 1000 crore during the year 2023-24, members approval for the material RPT's is being sought. The Audit Committee and the Board of the Company have reviewed the material RPT's and recommended seeking members approval for the same

The summary of information required under the Listing Regulations w.r.t RPT's which are likely to exceed ₹ 1000 crore during 2023-24 and require approval of members is as under:

a) Falcon Oil & Gas B.V.

i.	Name of the RP	Falcon Oil & Gas B.V. (FOGBV), Netherland
ii.	Nature of Relationship	Joint Venture Company of IndOil Global B.V., a wholly owned subsidiary of IndianOil.
iii.	Nature of business	Exploration and development of unconventional Oil & Gas assets.
iv.	Type of RPT's	Purchase of Crude Oil
v.	Material terms and conditions	The selling price of Das blend crude offered by FOGBV is derived from the results of Transfer Pricing Study carried out by KPMG in 2019 for arriving at a pricing on an arms-length basis. The same discount was being offered uniformly to all other shareholders of FOGBV and their affiliates
vi.	Expected value of RPT for 2023-24	₹ 4000 crore
vii.	Tenure of the RPT	One year i.e. for 2023-24
viii.	Justification for RPT with the RP	Purchase of Crude Oil for further processing in the refineries of the Company to meet the demand of petroleum products as well as to diversify the basket of crudes available to the Company.
ix.	Value of RPT as % of IndianOil's consolidated turnover of ₹ 736730.84 crore for the year 2021-22	0.54%
x.	Maximum value of RPT during 2023-24	10% of the consolidated turnover of the Company in the preceding financial year.

b) IndianOil Petronas Pvt. Ltd.

i.	Name of the RP	IndianOil Petronas Pvt. Ltd. (IPPL)
ii.	Nature of Relationship	Joint Venture Company of IndianOil
iii.	Nature of business	Terminalling services and parallel marketing of LPG
iv.	Type of RPT's	- Sale of LPG / Butane / Propane on high sea sale basis - Payment of service charge to RP towards bottling assistance and job work - Others (payment towards rent and reimbursement of manpower cost)
v.	Material terms and conditions	Material terms and conditions are based on the agreement which inter-alia includes the commercial terms which are market linked or derived through tender or mutual negotiation.
vi.	Expected value of RPT for 2023-24	₹ 3500 crore
vii.	Tenure of the RPT	One year i.e. for 2023-24
viii.	Justification for RPT with the RP	For furtherance of business interest of the Company.
ix.	Value of RPT as % of IndianOil's consolidated turnover of ₹ 736730.84 crore for the year 2021-22	0.48%
x.	Maximum value of RPT during 2023-24	10% of the consolidated turnover of the Company in the preceding financial year.

c) Petronet LNG Ltd.

i.	Name of the RP	Petronet LNG Ltd. (PLL)
ii.	Nature of Relationship	Joint Venture Company of IndianOil
iii.	Nature of business	LNG imports / distribution and regasification
iv.	Type of RPT's	- Purchase of Regasified Liquefied Natural Gas (RLNG) - Regasification Services - Rental income - Sale of petroleum products - Reimbursement of expenditure
v.	Material terms and conditions	- Long term agreement is entered with PLL which inter-alia includes the commercial terms which are market linked and similar to the contract executed by PLL with other off- takers. Spot contracts are executed through tenders. - Rental income is similar to rental recovered from other unrelated parties. - Sale of petroleum products are executed based on prevailing market prices on the date of supply. - Reimbursement of expenditure is on cost-to-cost basis.
vi.	Expected value of RPT for 2023-24	₹ 26000 crore
vii.	Tenure of the RPT	One year i.e. for 2023-24
viii.	Justification for RPT with the RP	Purchase of Natural Gas for processing in the refineries of the Company as well as sale to other customers for furtherance of business interest of the Company.
ix.	Value of RPT as % of IndianOil's consolidated turnover of ₹ 736730.84 crore for the year 2021-22	3.53%
x.	Maximum value of RPT during 2023-24	10% of the consolidated turnover of the Company in the preceding financial year.

d) IndianOil Adani Gas Pvt. Ltd.

i.	Name of the RP	IndianOil Adani Gas Pvt. Ltd. (IOAGPL)
ii.	Nature of Relationship	Joint Venture Company of IndianOil
iii.	Nature of business	City Gas Distribution
iv.	Type of RPT's	- Equity Investment - Purchase / sale / Swapping of natural gas - Receipt of fees for providing financial and other guarantees to enable the RP to meet its financial as well operational commitments made to PNGRB. - Reimbursement of salary of employees on deputation to IOAGPL - Others reimbursement of expenses, etc.
v.	Material terms and conditions	- Sale of RLNG is established based on competitive quote through a tender process. Sale Agreement of RLNG is entered with the IOAGPL which inter-alia includes the commercial terms and similar to the contract executed by the Company with other unrelated parties. - Purchase Agreement of CNG is entered with the IOAGPL which inter-alia includes the commercial terms and similar to the contract executed by IOAGPL with other parties. - Guarantee fees is based on Board approved policy - Reimbursement of expense (including salary of employees on deputation) is on cost-to-cost basis.
vi.	Details of source of funds for equity investment	Retained earnings
vii.	Expected value of RPT for 2023-24	₹ 2100 crore
viii.	Tenure of the RPT	One year i.e. for 2023-24
ix.	Justification for RPT with the RP	For furtherance of business interest of the Company.
x.	Value of RPT as % of IndianOil's consolidated turnover of ₹ 736730.84 crore for the year 2021-22	0.29%
xi.	Maximum value of RPT during 2023-24	10% of the consolidated turnover of the Company in the preceding financial year.

e) IndianOil LNG Pvt. Ltd.

i.	Name of the RP	IndianOil LNG Pvt. Ltd. (IOLPL)
ii.	Nature of Relationship	Joint Venture Company of IndianOil
iii.	Nature of business	LNG Terminal at Ennore
iv.	Type of RPT's	- Regasification Services - Sale of products - Receipt of interest on CCD issued by IOLPL to the Company - Reimbursement of salary of employees on deputation to IOLPL.
v.	Material terms and conditions	- Long term regassification agreement is entered with IOLPL which inter-alia includes the commercial terms which are market linked and similar to the contract executed by IOLPL with other off-takers. 'Use or Pay' and owner's supply deficiency is considered as per terms of contract. - Sale of products is based on prevailing market prices on the date of supply. - Interest on CCD is fixed based on 1-year SBI MCLR rate +45 bps (on the basis of previous loan of IOLPL from consortium of banks led by SBI). - Reimbursement of salary of employees on deputation is on cost-to-cost basis.
vi.	Expected value of RPT for 2023-24	₹ 2200 crore
vii.	Tenure of the RPT	One year i.e. for 2023-24
viii.	Justification for RPT with the RP	For furtherance of business interest of the Company
ix.	Value of RPT as % of IndianOil's consolidated turnover of ₹ 736730.84 crore for the year 2021-22	0.30%
x.	Maximum value of RPT during 2023-24	10% of the consolidated turnover of the Company in the preceding financial year.

f) Indian Synthetic Rubber Pvt. Ltd.

i.	Name of the RP	Indian Synthetic Rubber Pvt. Ltd. (ISRPL)
ii.	Nature of Relationship	Joint Venture Company of IndianOil
iii.	Nature of business	Manufacturing of Styrene Butadiene Rubber at Panipat
iv.	Type of RPT's	- Sale of Goods and Services - Corporate Guarantee for Loans - Reimbursement of salary of employees on deputation to ISRPL.
v.	Material terms and conditions	- Sale of LNG product on long term basis at prevailing market prices on the date of supply. - Sale of base oil, petroleum and petrochemical products are executed based on prevailing market prices on the date of supply. - Allocation / leases of lands / offices for office, setting up plant and development of greenbelt. - Utilities supply agreement for supplying Raw Water, Electricity, MP Steam & RLNG. - Guarantee fees is based on Board approved policy - Reimbursement of salary of employees on deputation is on cost-to-cost basis.
vi.	Expected value of RPT for 2023-24	₹ 1100 crore
vii.	Tenure of the RPT	One year i.e. for 2023-24
viii.	Justification for RPT with the RP	For furtherance of business interest of the Company
ix.	Value of RPT as % of IndianOil's consolidated turnover of ₹ 736730.84 crore for the year 2021-22	0.15 %
x.	Maximum value of RPT during 2023-24	10% of the consolidated turnover of the Company in the preceding financial year.

g) Lanka IOC PLC, Sri Lanka

i.	Name of the RP	Lanka IOC PLC, Sri Lanka (LIOC)
ii.	Nature of Relationship	Subsidiary Company of IndianOil
iii.	Nature of business	Retailing, Terminalling & Bunkering
iv.	Type of RPT's	- Sale and Purchase of goods and services Reimbursement of salary of employees on deputation to LIOC
v.	Material terms and conditions	- The sale of petroleum product like Gasoil, Gasoline, Base Oil, Marine Gasoil etc. is as per the terms and conditions of the tender floated by LIOC. - Purchase of product would be at prevailing market rates - Reimbursement of salary of employees on deputation is on cost-to-cost basis
vi.	Expected value of RPT for 2023-24	₹ 1500 crore
vii.	Tenure of the RPT	One year i.e. for 2023-24
viii.	Justification for RPT with the RP	For furtherance of business interest of the Company and also for strengthening the presence of LIOC in Sri Lanka for meeting consumer needs during the current financial crisis in Sri Lanka
ix.	Value of RPT as % of IndianOil's consolidated turnover of ₹ 736730.84 crore for the year 2021-22	0.20%
x.	Value of RPT as % of LIOC's turnover of ₹ 3304.54 crore for the year 2021-22	45.39.%
xi.	Maximum value of RPT during 2023-24	10% of the consolidated turnover of the Company in the preceding financial year.

h) Hindustan Urvarak Rasayan Limited

i.	Name of the RP	Hindustan Urvarak Rasayan Limited (HURL)
ii.	Nature of Relationship	Joint Venture Company of IndianOil
iii.	Nature of business	Setting up and operating fertilizer plants at Sindri, Gorakhpur and Barauni
iv.	Type of RPT's	- Sale and Purchase of goods and services - Reimbursement of salary of employees on deputation to HURL
v.	Material terms and conditions	- The sale of LNG product on long term basis at prevailing market prices on the date of supply. - Sale of petroleum products are executed based on prevailing market price on the date of supply. - Reimbursement of salary of employees on deputation is on cost-to-cost basis
vi.	Expected value of RPT for 2023-24	₹ 2100 crore
vii.	Tenure of the RPT	One year i.e. for 2023-24
viii.	Justification for RPT with the RP	For furtherance of business interest of the Company
ix.	Value of RPT as % of IndianOil's consolidated turnover of ₹ 736730.84 crore for the year 2021-22	0.29%
x.	Maximum value of RPT during 2023-24	10% of the consolidated turnover of the Company in the preceding financial year.

None of the Directors / Key Managerial Personnel of the Company / their relatives and in anyway interested or concerned in the resolutions mentioned at item no. 5, 6, 7, 8, 9, 10, 11 & 12 except as given below:

- Shri S. M. Vaidya, Chairman of IndianOil, who is a Non-Executive Director on the Board of Petronet LNG Ltd. and a Non-Executive Chairman on the Board of Hindustan Urvarak Rasayan Ltd.;
- Shri Ranjan Kumar Mohapatra, Director (Human Resources) of IndianOil, who is Non-Executive Chairman on the Board of Lanka IOC PLC.;
- Shri V. Satish Kumar, Director (Marketing) of IndianOil, who is Non-Executive Chairman on the Board of IndianOil Petronas Pvt. Ltd.

The Board recommends the Ordinary Resolutions as set out in the Notice for approval by the Members.

Item No. 13 **To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2023.**

The Board, on the recommendation of the Audit Committee, has approved the appointment of following Cost Auditors at an aggregate remuneration of ₹ 22.70 lakh plus applicable taxes and out of pocket expenses to conduct the audit of the cost records of the various units of the Company for the financial year ending March 31, 2023:

Sl. No.	Name of the Cost Auditor	Audit fees (₹)
1.	Narasimha Murthy & Co., Hyderabad	7,80,000/-
2.	Chandra Wadhwa & Co., New Delhi	7,70,000/-
3.	Bandyopadhyaya Bhaumik & Co., Kolkata	1,80,000/-
4.	ABK & Associates, Mumbai	3,60,000/-
5.	P. Raju Iyer, M. Pandurangan & Associates, Chennai	1,80,000/-
	TOTAL	**22,70,000/-**

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought by passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2023, as approved by the Board.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, interested or concerned in the resolution.

The Board, therefore, recommends the Ordinary Resolution for approval by members.

Registered Office:
IndianOil Bhavan,
G-9, Ali Yavar Jung Marg,
Bandra (East),
Mumbai - 400 051
Date: July 28, 2022

By Order of the Board of Directors

Sd/-
(Kamal Kumar Gwalani)
Company Secretary
(ACS: 13737)

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IndianOil Aviation
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Indane XTRA TEJ

Chhotu
from Indane

PROPEL
100% TRUST. 100% VALUE.

XTRAGREEN
New-age high performance diesel

XP95
95 OCTANE PREMIUM PETROL
UPGRADE. UNLOCK. UNLEASH.

SWAGAT

XTRA GUARD

IndiGreen

CLEARBLUE
Diesel Exhaust Fluid
Superior Emission Control

HCNG
FUELLING A CLEANER FUTURE

Fuel@Call

KISAN SEVA KENDRA

NANOCUT
HI-THERM INDANE CUTTING GAS

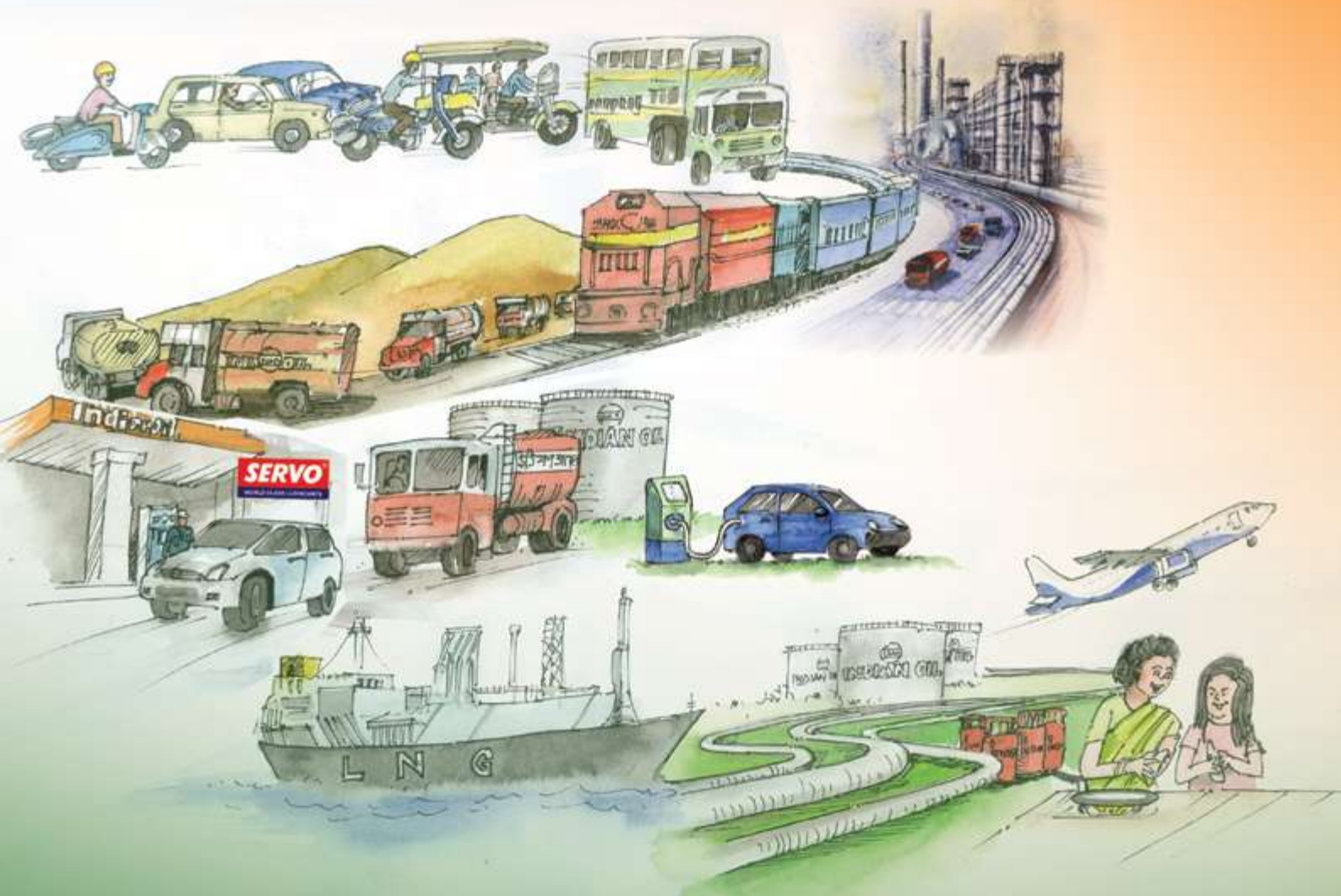
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