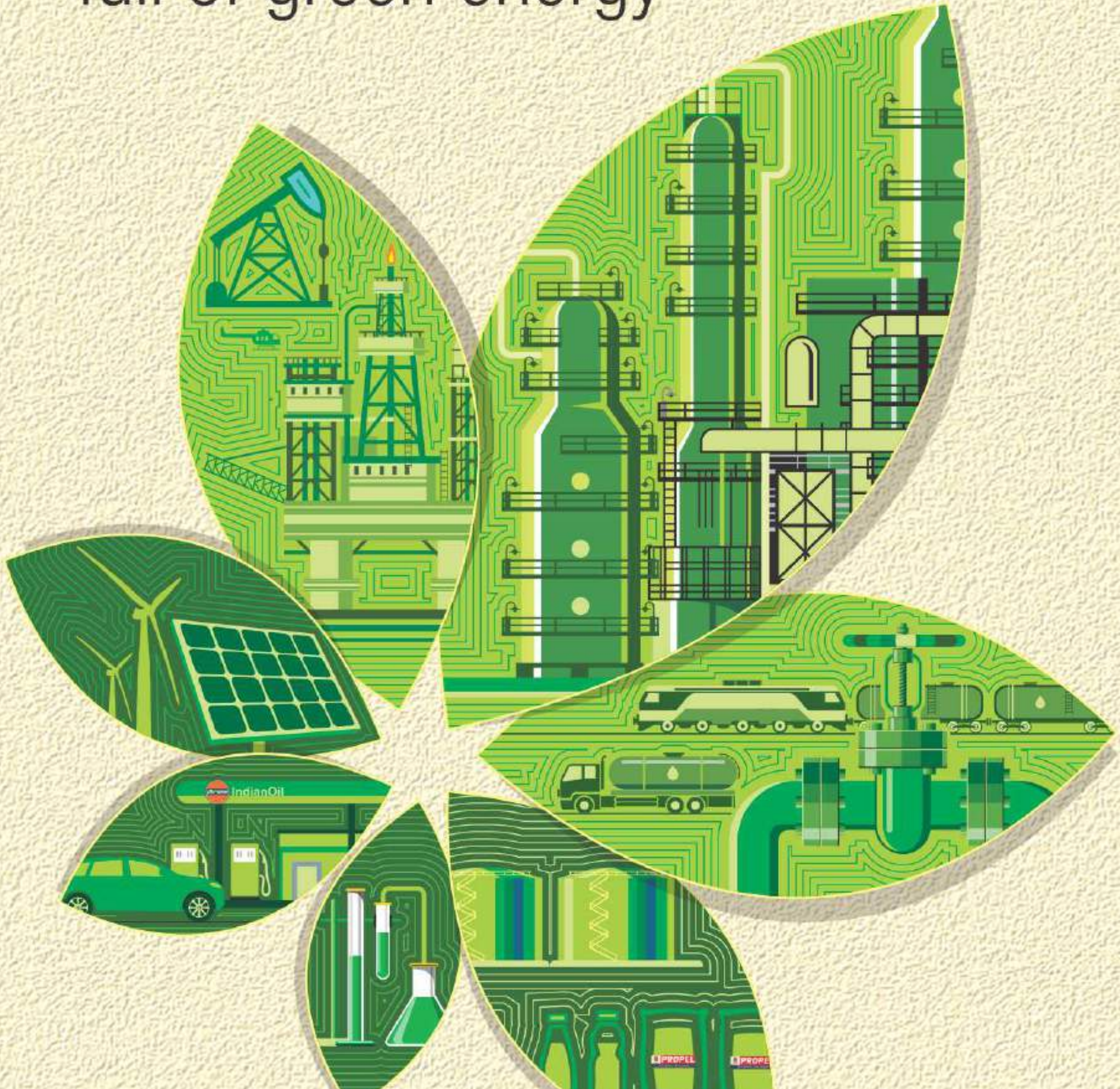
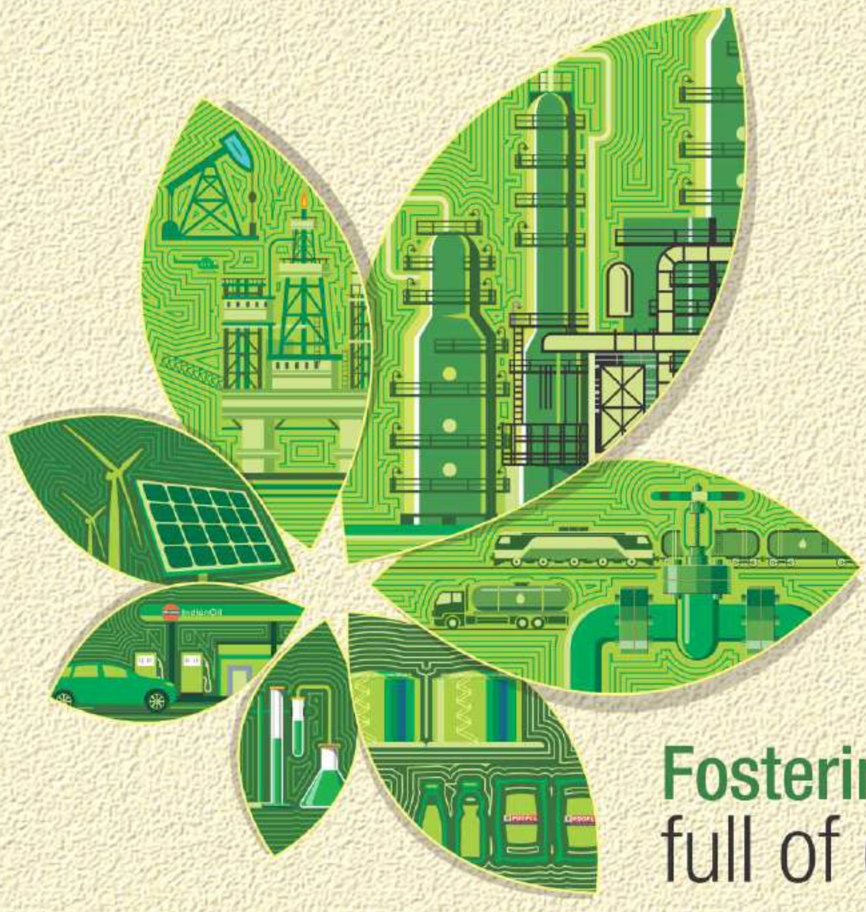
IndianOil

2018 YEAR OF TRUST

Fostering a future full of green energy



Integrated Annual Report 2017-18



Fostering a future full of green energy

As India's flagship energy major, IndianOil is proud to fuel the growth and development of the nation, with presence in almost all business verticals – oil, gas, petrochemicals and alternative energy sources – to realise its vision of being *'The Energy of India.'* Fully committed to ensuring a better future for the coming generations, IndianOil has taken numerous planet-friendly initiatives such as rolling out green auto fuels, deploying energy-efficient technologies, tapping renewable energy sources, etc. With India emerging as the fastest-growing major economy, IndianOil is well-positioned to capitalise on the many opportunities to foster a future full of green energy.

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Indian Oil Corporation Limited

Registered Office: IndianOil Bhavan,
G-9, Ali Yavar Jung Marg,
Bandra (East), Mumbai - 400051

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

About the Report

Indian Oil Corporation Limited ("IndianOil" or "the Company") is an integrated energy major and the country's largest commercial enterprise. As the top-ranked Indian corporate in *Fortune's* 'Global 500' listing, IndianOil has been publishing its annual Sustainability Report since 2005-06, disclosing its performance on economic, environmental and social indices.

Commencing this year, the Company is publishing its first Integrated Annual Report for the year 2017-18 in alignment with the <IR> Framework laid down by the International Integrated Reporting Council. The report outlines IndianOil's value creation process for stakeholders and its strategic response to various material issues identified, action taken and outcomes achieved with respect to the following six capitals:

- Financial Capital
- Manufactured Capital
- Human Capital
- Intellectual Capital
- Social and Relationship Capital
- Natural Capital

The integrated report also encompasses the key performance indicators as given by GRI (Global Reporting Initiative, an independent international organisation that has pioneered sustainability reporting since 1997) to depict the Company's performance across six capitals.

The report captures forward-looking statements that go beyond the current reporting period FY 2017-18.

FROM THE CHAIRMAN'S DESK

Shri Sanjiv Singh

Dear Valued Shareowners,

Greetings to you on behalf of the 33,000-strong IndianOil team.

It is once again my proud privilege to communicate with you through this Annual Report. This time, we have attempted to publish an Integrated Annual Report that not only details the Company's financial performance but also reflects its commitment towards value creation for its stakeholders. The integrated report makes specific reference to six key capitals, i.e., Financial Capital, Manufactured Capital, Human Capital, Intellectual Capital, Social & Relationship Capital and Natural Capital.

The integrated report emphasises the strong bonds of trust that IndianOil has built with its stakeholders over time and IndianOil's initiatives towards continuous growth in an exciting world of challenges and opportunities.

Industry Trends

The overall global economy continues to be robust and there is a broad consensus on acceleration of global GDP growth in the current year. India's GDP growth in 2018-19 is expected to accelerate to 7.4%, driven by improving global demand, investment revival, rejuvenation of rural demand, and reduction of internal barriers by GST.

For the global oil & gas industry, geo-political uncertainties remain a key factor. After the comparatively lower price regime during 2014-17, crude oil prices began to rise again from July 2017, impacting import-dependent economies like ours. The recent US sanctions on Iran have added further uncertainty to an already volatile market. However, Saudi Arabia and Russia have indicated increased supplies to provide a balance in the interest of both oil-producing as well as oil-importing countries.

Oil-importing countries too are taking necessary steps for energy security. With our plans of 10% reduction in oil imports by the year 2022, IndianOil is expanding its non-oil energy portfolio as well as focussing on energy conservation and efficiency improvement measures.

IndianOil: 360^0 Excellence

I am delighted to inform you that 2017-18 has been a great year for the Company across divisions and verticals, and we have once again surpassed previous records and posted a remarkable performance, both in physical and fiscal terms.

The net profit of ₹ 21,346 crore is the highest ever earned by your Company and, for the second consecutive year, IndianOil has emerged as the most profitable Central Public Sector Enterprise.

Indeed, our differentiators are our strong financials – our net worth of ₹ 91,664 crore, our debt/equity ratio of 0.53:1 and our comfortable debt level of ₹ 58,030 crore. Our EBITDA of ₹ 43,079 crore is the highest ever; so are our earnings of ₹ 5,06,428 crore. As a national trust for economic prosperity, our contribution to the exchequers is also high at ₹ 1,90,670 crore.

The total Equity (Share Capital and Reserves & Surplus) of the Company crossed Rupees One Lakh crore during the year and stood at ₹ 1,10,171 crore as on 31st March 2018.

Besides an interim dividend of ₹ 19/- per share paid during the year, the Board of your Company has recommended a final dividend of ₹ 2/- per share. This is in addition to successive issue of bonus shares in the ratio of 1:1 during the financial years 2016-17 and 2017-18.

Consolidating Core Business

IndianOil energises all sectors of the economy and all sections of society, taking a wide range of products & services closest to the end-users through its countrywide network of customer touch-points. The Company is constantly innovating and deploying technology to align its processes, products and services with the changing aspirations of its customers.

In 2017-18, IndianOil achieved record sales to lead the market, besides expansion of marketing infrastructure and retail network, particularly fuel stations and LPG distributorships. New aviation fuel stations (AFS) commenced operations at Puducherry, Kadapa and Shillong, raising their total to 107. 'Smart terminals' concept was introduced at 21 more locations during the year, taking their cumulative tally to 84.

With rigorous monitoring and in-time execution of projects, IndianOil achieved the capital expenditure target of over ₹ 20,000 crore for the year 2017-18.

IndianOil's LPG sales crossed 10 million tonnes during the fiscal. The Company released more than one crore LPG connections for the third consecutive financial year. For customer convenience, *Indane* refill booking facility was enabled through IndianOil's official Facebook and Twitter pages also.

Daily price revision of automotive fuels, petrol and diesel, was rolled out across the nation in June 2017 to further streamline the mechanism. The Company's automated fuel stations have now crossed the 13,000 mark, covering 50% of the network, providing more efficiency and transparency. Over 34% of them have also converted their operations to run on solar energy.

IndianOil's *SERVO* brand improved its market share in finished lubricants during the year. Several strategic steps were taken to further improve performance.

With Paradip Refinery achieving 100% capacity utilisation during the year, IndianOil refineries together achieved a record annual throughput of 69 MMTPA, which was 5.8% higher than that of the

With state-of-the-art infrastructure, IndianOil has been serving the nation for six decades.

previous year. The year 2017-18 also witnessed the highest ever production of MS, HSD, ATF, LPG, bitumen, polypropylene and Linear Alkyl Benzene. Mathura & Panipat refineries commenced BS-VI grade auto fuel supplies to the National Capital Territory (NCT) from April 1, 2018 to meet the advanced timeline.

To boost flexibility in crude oil sourcing, the Company's crude oil basket was further expanded with inclusion of 16 new grades, 11 of which were of US origin. IndianOil was also the first among Indian refiners to import and process US crude oil. Enhanced operational efficiency, processing of opportunity crudes (heavy low-sulphur, heavy high-sulphur and high-TAN) and a marked reduction in unplanned shutdowns helped improve gross refining margin for IndianOil refineries.

Several initiatives were taken to minimise crude oil costs in a volatile market scenario. Besides movement of the highest-ever quantity of crude oil by sea, better vessel freight rates and reduction in shipping costs yielded additional savings.

For IndianOil pipelines too, 2017-18 was yet another year of expansion and consolidation, as the network crossed the 13,000-km mark and achieved 3.5% higher combined throughput compared to the previous year. With the commissioning of the 1,073-km Paradip-Raipur-Ranchi pipelines system, finished products are now being pumped to all terminals en route, resulting in significant savings in transportation costs.

In R&D, the year was marked by deployment of major in-house technologies at the Company's refineries as well as commercialisation of many lubricant formulations. An Octamax

5 kg *Indane* cylinders being marketed at the Dal Lake Floating Bazar, Srinagar *(Photo courtesy: IOCian Arun Khanna)*

unit was commissioned at Mathura Refinery to produce high-octane fuel for BS-VI gasoline pool with technology conceptualised by IndianOil R&D. Over 80 patents were filed during the year and approval was received for 54, taking the total number of active patents beyond 600. A BS-VI emission test facility was commissioned for all types of fuels such as petrol, diesel, ethanol-blended petrol, bio-diesel, CNG, LNG, Hydrogen-CNG and 2G-ethanol blends as per superior BS-VI norms.

A number of indigenously developed technologies by IndianOil R&D are being deployed while upgrading the Company's refineries for production of BS-VI fuels.

Accelerating Extended Businesses

IndianOil's growing business verticals of Petrochemicals, Natural Gas and Exploration & Production have become integral business drivers for the Company.

Riding on a robust consumer demand and patronage, in addition to growing domestic market, IndianOil's *PROPEL* brand petrochemicals have also found acceptance in 75 countries.

With a committed workforce, IndianOil ensures petroleum product supplies to the Nation 24x7x365

'Innovation' being one of its core corporate values, IndianOil has developed several pioneering & path-breaking technologies that have been commercialised

With focus on market expansion, the Company developed a number of polymer grades customised to specific applications during the year.

IndianOil's natural gas sales grew by nearly 2% during the year. To meet growing demand, the Company imported the highest-ever volumes of LNG during the year and also tied up with producers for additional quantities.

The Company's upstream assets registered a 66% growth in annual production and a 99% growth in revenue. Acquisition of stakes in Russian fields has been a major factor in this uptick. During the year, IndianOil acquired participating interest in two more overseas producing assets, Lower Zakum, Abu Dhabi, and Mukhaizna of Oman, as part of a consortium.

Preparing to be Future-Ready

As the leading refiner in the country and a dominant player across a diverse portfolio of offerings in energy, IndianOil is focussing on all emerging opportunities for organic and inorganic growth through vertical integration and strategic diversification, besides pursuing value-creating research areas.

As part of this, projects costing approx. ₹ 32,000 crore are in various stages of execution and plans are underway for implementing more projects costing about ₹1.43 lakh crore in the next five years.

Driven by the growing demand for POL products, IndianOil has ambitious plans to almost double its current installed group refining capacity of 80.7 MMT per annum (MMTPA) to about 150 MMTPA by the year 2030. This includes greenfield refineries of IndianOil subsidiary Chennai Petroleum Corporation Ltd. (CPCL) and the proposed Ratnagiri Refinery & Petrochemicals Ltd. (RRPCL), apart from numerous brownfield expansions.

RRPCL is proposed to be developed as the world's largest integrated greenfield refinery-cum-petrochemicals complex. It will be built by an Indian consortium consisting of IndianOil, BPCL and HPCL along with Saudi Aramco and ADNOC.

Several pipeline projects with a combined capital expenditure of over ₹ 20,000 crore are under implementation. Upon completion, IndianOil's pipeline network would expand to about 20,000 km in length. A 69-km pipeline is also being laid to transport petroleum products to Nepal.

IndianOil has decided to infuse equity in Paradip Plastic Park Ltd, a JV with Industrial Development Corporation of Odisha to promote downstream plastics-based units near Paradip Refinery. The Company has plans for setting up a Textiles Park in Odisha based on the feedstocks available from Paradip Refinery/Eastern India.

Looking at the future, the Company is strongly focussed on offering a bouquet of eco-friendly energy options other than liquid fuels to its customers. These would include natural gas, LNG, CNG, PNG, autogas, biogas, Hydrogen and electricity.

The 5-MMTPA LNG terminal being set up by IndianOil at Kamarajar Port in Ennore has achieved an overall progress of over 90% till now and would be commissioned by the end of the current year. In line with the growing requirement of gas, the Company is booking capacities in other LNG terminals also, both on the east and west coasts of India.

IndianOil is developing three natural gas pipelines – Mallavaram-

With exports to 75 countries, IndianOil is focussing on strengthening its presence in the domestic petrochemicals sector besides overseas market .

IndianOil Refineries achieved a record crude oil throughput during the year.

Bhopal-Bhilwara-Vijaipur, Mehsana-Bhatinda & Bhatinda-Jammu through its joint venture companies. IndianOil is partnering in the development of a 1,500-km natural gas pipeline grid in the Northeast to connect Guwahati to other major cities of all N.E. States.

IndianOil is currently operating City Gas Distribution (CGD) networks, offering CNG for vehicles and PNG for households, in nine Geographical Areas (GA) through two joint ventures. Considering the growth potential in gas business, the Company is aggressively taking part in the various bidding rounds for Gas.

The Company is also collaborating with fleet owners and automobile manufacturers to promote the use of LNG as transportation fuel.

During the year, the Company's R&D Centre took up demonstration trials on the country's first Hydrogen fuel cell-powered bus in collaboration with Tata Motors. It has also set up a pilot plant to facilitate studies on conversion of carbon-dioxide to high-value lipids.

In sync with the expected demand for electric mobility, IndianOil was the first company to set up a fast-charging station at Nagpur during the year, followed by one each at Delhi and Kolkata and two in Hyderabad.

Comprehensive trials are on with reputed partners to achieve better performance and durability in lead-acid batteries and other energy storage applications as well as solar-to-green fuel technologies through the compressed solar power route.

For demonstration and scaling up of technologies developed in-house and for advanced research on alternative energy options, nanotechnology, etc., a second campus of the R&D Centre is coming up, also at Faridabad. The first phase of technology deployment from the new campus is expected from 2019-20.

Under IndianOil Start-up Fund, 11 projects were selected for funding and incubation. The projects are being mentored by in-house domain experts along with National Research Development Corporation.

Considering the global high-price oil scenario, the Company is also looking at options for part-substitution of transportation fuels with renewables. Petrol-ethanol blends are already being marketed, and the same can be extended to methanol. Options of vegetable oils, dimethylether and methanol are available for blending with diesel.

The Company is in the process of setting up three plants, in Gujarat, Haryana and UP, for production of 2G-ethanol from lignocellulosic biomass like paddy straw, corn-cobs, etc.

IndianOil is working on a new model to produce bio-CNG from Methane and its application as a transportation fuel. For this, bio-gas produced from waste/bio-mass sources like farm residue, cattle dung, sugarcane press mud, municipal solid waste and sewage treatment plant waste would be utilised. This would also help utilise waste productively, minimise emissions and reduce pollution. The Company has signed MoUs with nine parties to retail Bio-CNG through its marketing network.

IndianOil has tied up with National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) for facilitating the setting up of plants to process bio-mass/bio-waste to produce bio-CNG.

Hindustan Urvarak & Rasayan Ltd. (HURL), incorporated in June 2016 as a joint venture with Coal India Ltd. and NTPC for revival of the fertiliser plants located at Gorakhpur (Uttar Pradesh), Sindri (Jharkhand) & Barauni (Bihar), has awarded LSTK contracts for all the three projects. This has set the stage for commencement of commercial production of neem-coated urea from all the three plants by the beginning of the year 2021.

IndianOilPeople: Committed to Excellence

Besides overseas subsidiaries already operating in Sri Lanka, Mauritius and UAE, a new subsidiary was incorporated in Singapore, a branch office was opened in Myanmar and a representative office was opened in Bangladesh during the year. The Company has established business ties with corporates operating in Bangladesh and Myanmar for cooperation in marketing and allied services for LPG and ATF respectively.

Corporate with a Conscience

IndianOil has taken many initiatives on the sustainability and CSR fronts also.

IndianOil's portfolio of wind-power and solar energy has crossed

200 MW during the year. The Company has also been focussing on reducing its carbon and water footprints, LED lighting across installations, rainwater harvesting systems and waste-to-energy processes.

IndianOil has commissioned three waste-to-energy plants, each of 5 tonnes per day capacity, in Varanasi under *Swachh Bharat Abhiyan*. The electricity produced from biogas generated by these plants is being used to power street lights in the vicinity.

The Company's Mathura and Gujarat refineries have begun preparations for using treated sewage water from Mathura and Vadodara cities for plant operations in place of fresh water.

IndianOil has always been a corporate with a conscience, focussing on education & skill development of unemployed and under-employed youth; drinking water & sanitation for rural populace in far-flung areas; health & hygiene through hospitals and medical outreach; etc., in its comprehensive CSR programme.

The Company's 200-bed Assam Oil Division Hospital in Digboi, established in 1906, is equipped with modern medical facilities. It caters to a population of 2 lakh, with the catchment area extending to neighbouring Arunachal Pradesh and other nearby areas of the Northeast. The Assam Oil School of Nursing, Digboi, was established in 1986 to provide professional training in the field of nursing & midwifery to unemployed girls. The Assam College of Nursing started functioning in the same premises in 1984 with intake of 30 students in B.Sc. (Nursing) course. A 50-bed *Swarna Jayanti Samudaik* Hospital set up by IndianOil in Mathura, Uttar Pradesh, provides subsidised medical assistance to residents near Mathura Refinery.

IndianOil had set up a Skill Development Institute (SDI) in Bhubaneswar in 2015. The foundation stone for its permanent campus was laid by the Hon'ble President of India in March 2018. Besides regular courses connected with petroleum & petrochemicals sectors, SDI plans to offer skill courses in advanced technology areas such as Artificial Intelligence, Internet of Things, Robotics, Machine Learning, Virtual/Augmented Reality, 3-D Printing, etc., in collaboration with IIT-Kharagpur.

The Hon'ble President of India also inaugurated the Institute of Chemical Technology-Mumbai - IndianOil campus at Bhubaneswar. For this, IndianOil has collaborated with ICTM to offer innovative programmes such as an integrated M.Tech., executive M.Tech. for industrial personnel, as well as Ph.D. programmes.

As a special incentive to unemployed youth, the Company engaged over 3,500 apprentices in technician trades during the year. They are being provided training and industry exposure for one year along with stipend.

The IndianOil Foundation, a non-profit trust fully funded by IndianOil, has developed tourist-friendly infrastructure and associated facilities at Konark Sun Temple in Odisha, which include a state-of-the-art Interpretation Centre that showcases the unique architectural features of the UNESCO world heritage site.

Support to sports is yet another area where the Company has made a mark. Many of its leading sportstars have shone at the Commonwealth Games-2018 in Australia, bringing laurels for India and IndianOil.

As part of *Ujjwala Diwas*, IndianOil conducted 7,453 LPG *Panchayat* events pan-India and released 6.15 lakh new LPG connections. Over 1,000 senior officers across divisions participated as facilitators in the day's events that brought together LPG customers to discuss about safe and sustainable use of LPG.

Corporate success in the coming years will depend on understanding, assimilating and using cutting-edge technology efficiently. Accordingly, IndianOil is revamping its IT landscape to create a robust IT infrastructure and a digital Centre of Excellence. Besides pump-locator maps, mobile apps and SMS services for retail customers, an integrated portal, mobile app and MIS system

IndianOil is focussed on expanding the countrywide reach of LPG - a safe and green fuel.

were developed for institutional/bulk consumers.

IndianOil is in the process of setting up an ambitious customer-facing portal designed to deliver next-generation customer experience and offer service/support across any line of its business.

While technology will be a significant enabler in our business strategy, the key differentiator will continue to be our human resource. Thus, it shall be the Company's constant endeavour to address human interactions with care and sensitivity. The Corporation's flagship Leadership Competency Development Programme, *Project Saksham*, is creating new opportunities to make learning an ongoing process in the organisation, besides regular need-based developmental interventions at transition points. I am also happy to report that the Company is building e-learning platforms that will enable IOCians to become independent learners and enhance their skill-sets and capabilities in order to be future-ready.

Focussing on Trust as the 'one thing that changes everything in business and life', IndianOil is observing 2018 as the *Year of Trust*, and encouraging all IOCians to not only internalise this core corporate value but also demonstrate it in full measure in all their dealings both within and outside the Company. All our divisions are making synergistic efforts to co-create a flexible and agile corporate focussed on customer convenience and stakeholder value.

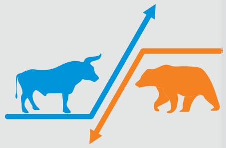
I look forward to the continued support and encouragement of all our shareholders in this endeavour.

Sanjiv Singh
Chairman

Highlights for the year 2017-18

Financial Capital

Highest Ever Revenue



Revenue Generation
₹5,06,428 crore

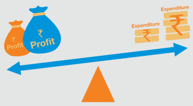
Increase of 13.69% as compared to 2016-17

Highest Ever EBITDA

EBITDA
₹43,079 crore

Increase of 19.70% as compared to 2016-17

Highest Ever Profit



Profit after Tax
₹21,346 crore

Increase of 11.72% as compared to 2016-17

Manufactured Capital

Total Product Sales
88.76 MMT

CAPEX
Over ₹ 20,000 crore

Fuel Stations
- **953** commissioned
- Total number **27,089**

Crude Oil Throughput
69 MMT
Highest ever

Petroleum Products Sales
77.13 MMT

Petrochemicals Sales, inc. exports
2.37 MMT

Pipelines Throughput
85.68 MMT

E&P Output
2.70 MMT

Gas Sales
3.86 MMT
includes internal consumption

Human Capital

3,093
Training Programmes

1,30,000
Employee Training Mandays

1,145
Executives Recruited

88,312
Safety Training Mandays (Employee + Contract workers)

8.36%
Women in Workforce

Highlights for the year 2017-18

Intellectual Capital

Patents granted 54
Total active 611

Start-Up

11 projects being funded and incubated in Technology & Business process domains

Savings through Active Patents
₹1,693 crore

Royalty Earnings
₹30.8 lakh on catalyst sale

R&D Expenditure
₹316.63 crore

Social & Relationship Capital

Contribution to exchequer
₹1,90,670 crore

Swachh Bharat Abhiyan
Over 32,000 cleanliness activities

Over 47,800 customer touch points

LPG connections released to 73.8 lacs women (BPL families)

More than 1.2 crore lives touched through 850 CSR projects

100% CSR budget utilisation of ₹331.05 crore

Natural Capital

8.61% Specific water footprint reduction achieved at refineries against 2012-13

7.45% Specific carbon footprint reduction at refineries against 2012-13

785 $TMTCO_2e$ Estimated emission avoidance through pipeline transportation

89% Effluent water recycled and reused

337 GWh Renewable energy generation

277 $TMTCO_2e$ Estimated emission reduction

2,533 fuel stations solarised

63,093 SRFT fuel savings through ENCON measures

9140 Total no. of solarised fuel stations with 38 MW capacity

202 MW Total installed renewable energy capacity

IndianOil at a Glance

With a 33,000-plus work-force, extensive refining, distribution & marketing infrastructure and advanced R&D facilities, IndianOil plays a significant role in fuelling the socio-economic development of the country. With a mandate to ensure India's energy security and self-sufficiency in refining & marketing of petroleum products, IndianOil has in the past six decades provided energy access to millions of people across the length and breadth of the country through its ever-expanding network of over 47,800 customer touch-points.

With a turnover of ₹5,06,428 crore and a net profit of ₹ 21,346 crore in 2017-18, and a market capitalisation of ₹ 1,71,511 crore, IndianOil is recognised as one of India's most valuable companies.

The Company continues to be the largest contributor to the national exchequer in the form of duties and taxes. During the year 2017-18, ₹ 1,90,670 crore was paid to the exchequer as against ₹ 1,79,014 crore paid in the previous year.

The Energy for India's Rise

IndianOil's core business has been refining, transportation and marketing of petroleum products. In line with India's growing energy demand, the Company has over the years expanded its operations across the hydrocarbon value chain – upstream into oil & gas exploration & production and downstream into petrochemicals, besides diversifying into natural gas and alternative energy resources.

IndianOil continues to expand its business operations abroad through its overseas establishments in Sri Lanka, Mauritius, the UAE, Singapore and USA. During the year 2017-18, the Company has set up offices in Myanmar and Bangladesh.

IndianOil has also been pursuing diverse business interests through joint ventures with reputed business partners from India and abroad. During the year, a new joint venture company, viz., Ratnagiri Refinery and Petrochemicals Ltd. (RRPCL), was incorporated with BPCL and HPCL as partners for setting up a mega 60-million metric tonnes per annum (MMTPA) refinery & petrochemicals complex in Ratnagiri district of Maharashtra.

Business Profile

Refineries

IndianOil continues to set up state-of-the-art refineries across the country to meet the growing demand for petroleum products. As on 31st March 2018, the Company owns 11 (including two of its subsidiary) of India's 23 refineries with a combined refining capacity of 80.70 MMTPA, accounting for 33% of domestic refining capacity.

IndianOil processed 16 new grades of crude oil during 2017-18, of which 11 were of US origin, in a continuing bid to expand and diversify its sources for imports. Processing of cheaper, heavy & high-TAN as well as high-sulphur grades of crude oil was stepped up for better refining margins.

The year 2017-18 marked the commencement of superior BS-VI grade auto fuel supplies from the Company's Mathura and Panipat refineries to the National Capital Territory two years ahead of the scheduled launch across the country by 1st April 2020.

Pipelines

IndianOil operates a network of 13,400 km of cross-country pipelines for transporting crude oil, refined petroleum products and natural gas, with a cumulative throughput capacity of 94.79 MMTPA of oil and 9.5 MMSCMD of gas. During the year, 543 km of new pipeline sections were commissioned.

Currently, IndianOil operates six crude oil tank-farms, with individual tank capacities ranging from 30,000 kilolitres (kl) to 85,000 kl, for smooth onward transport to refineries through pipelines.

IndianOil owns and operates two SPM (single-point mooring) terminals in the high seas at Vadinar and three SPM terminals at Paradip for anchoring pipeline systems that transfer crude oil from ocean tankers to the tank-farms onshore.

Marketing

Keeping all parts of the vast nation well supplied with essential petroleum products is a 24/7 commitment from IndianOilPeople. During the year, IndianOil continued its dominance in the domestic market with a market share of over 44%, covering the entire range of petroleum products from LPG, petrol, diesel, CNG, aviation fuels, lubricants, naphtha, furnace oil, speciality products, etc. The marketing and distribution network was expanded to over 47,800 customer touch points during the year.

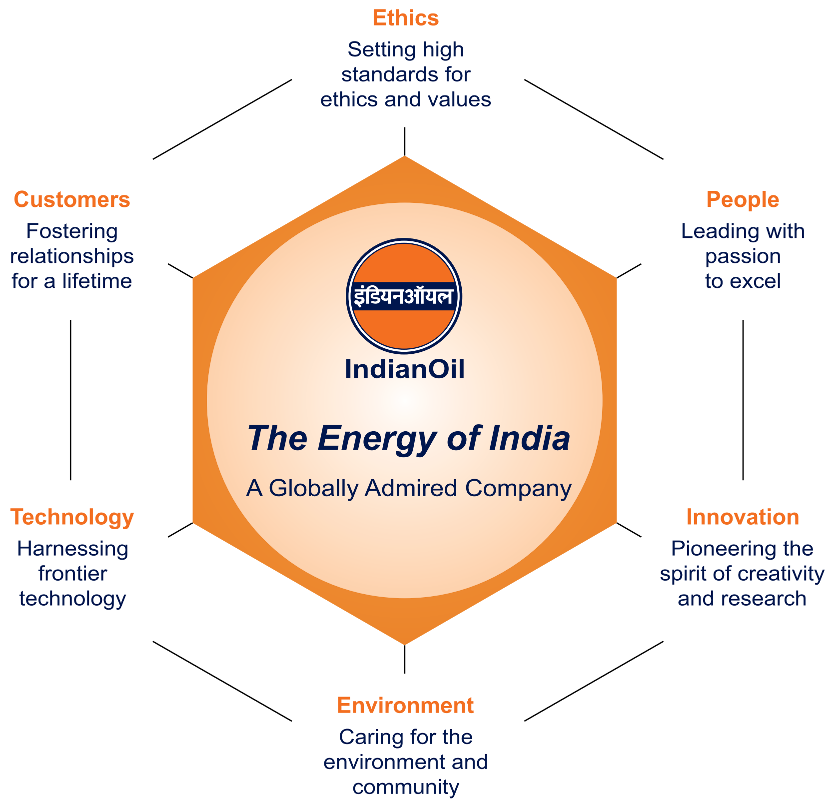
With retail sales as a key determinant of IndianOil's market leadership, the Company commissioned over 950 fuel stations during the year 2017-18. Its formidable reach into the interior markets is evident from the fact that over 7,500 of its 27,089 fuel stations are *Kisan Seva Kendra* outlets located in rural areas.

IndianOil's *Indane* brand of LPG cooking gas serves over 12 crore households through over 10,000 distributors. Its 107 aviation fuel stations together refuel over 1,750 flights a day, i.e., more than one flight per minute. The Company is also the

IndianOil

IndianOil at a Glance

VISION



VALUES

Care • Innovation • Passion • Trust

IndiaOil's Vision with Values

Our 'Vision with Values' encompasses our growing aspirations – to broaden our horizons, to expand across new vistas, and to infuse new-age dynamism among our employees.

The 'Shared Vision' of IndianOilPeople and other stakeholders is a matrix of six cornerstones that would together facilitate our endeavours to be *'The Energy of India'* and to become 'A globally admired company.'

The Vision is infused with the core values of **Care, Innovation, Passion and Trust,** which embody the collective conscience of our company and our people, and have helped us to grow and achieve new heights of success year after year.

IndianOil at a Glance

market leader in the lubricants business with its *SERVO* brand maintaining a high market share. It is the Company's constant endeavour to keep in step with the changing customer aspirations, competitive trends and new technologies.

IndianOil has been recognised as one of India's top brands by UK-based Brand Finance, an independent consultancy that deals with valuation of brands. It was also voted as India's 'Most Trusted Brand' in the 'Gasoline' category in a *Readers' Digest*-AC Nielsen survey.

Research & Development

IndianOil's R&D Centre, one of Asia's finest, currently has an inventory of over 600 patents. The Centre is expanding its research prowess beyond lubricants and refining technologies to new and emerging areas like bio-fuels, nano-technology, battery storage and other horizon technologies. Technologies developed in-house include the path-breaking INDMAX technology for enhanced LPG yield, which bagged the Excellence Award for Innovation at the World Petroleum Congress in Turkey this year.

Petrochemicals

Petrochemicals is now an integral business driver for IndianOil and has emerged as a major contributor to the Company's bottomline. With domestic capacity falling short of demand and imports taking a significant share of the market currently, growth in petrochemicals demand in the country is set to provide a key demand segment for the Company's refineries in the coming years.

Investment in integrated refinery & petrochemicals projects is a compelling strategic choice for the Company. In fact, refining-petrochemicals integration is the way forward for all future refinery expansion plans at IndianOil. Besides offsetting cyclical performance troughs in other segments, this will provide better returns from value addition to refinery product streams and integrated utility management.

IndianOil's petrochemicals foray is providing an impetus to creation of Textiles Parks and Plastics Parks in various regions, each with scope for a wide spectrum of downstream allied industries. Considering this, the Company is envisaging further investment of ₹30,000 crore in the petrochemicals segment in the next few years.

Besides a big share in the domestic market, IndianOil's *PROPEL* brand of petrochemicals are now exported to 75 countries.

Natural Gas

Natural gas is fast emerging as a greener choice over other fuels, more so with the Government of India's thrust on a gas-based economy and promoting its use across sectors. IndianOil too has aligned itself to focus on expanding its natural gas business, especially where gas is replacing liquid fuels.

IndianOil sources liquefied natural gas (LNG) from international suppliers through long-term contracts as well as spot purchases. The gas parcels are received at the Dahej Terminal of Petronet LNG Ltd., a joint venture of the Company, and supplied through pipelines to large-volume customers located in different locations. At present, IndianOil supplies LNG to 58 institutional customers from fertilisers, power, refining, steel and other industrial sectors.

From a modest start in 2004, IndianOil's share in imported gas has grown to an impressive 19% for the year 2017-18. IndianOil LNG Pvt. Ltd., another joint venture with Tamil Nadu Industrial Development Corporation (TIDCO), is setting up a 5-MMTPA LNG terminal at Kamarajar Port in Ennore near Chennai for commissioning in 2018-19. IndianOil is also developing natural gas pipeline networks through joint venture companies, which include at 1,500-km pipeline grid to connect Guwahati to major cities in the Northeast.

IndianOil is operating city gas distribution (CGD) networks in eight different geographical areas through JVs. In addition, a CGD project in Udham Singh Nagar was commissioned in May 2018 and projects in two more geographical areas are under implementation. Further, IndianOil has participated in the 9th round of CGD bidding invited by the Petroleum and Natural Gas Regulatory Board (PNGRB).

Exploration & Production (E&P)

IndianOil's focus on upstream segment has expanded to a portfolio of 19 E&P blocks (9 domestic & 10 overseas) with Participating Interest (PI) ranging from 3% to 100%. The Company pursues a substantial portion of its E&P activities either in consortium or through joint ventures with national and international oil & gas companies. Its overseas E&P assets are spread over many countries, including UAE, Russia, Oman, Canada, USA and Venezuela.

The year 2017-18 marked IndianOil's entry into the highly prospective UAE region with acquisition of 3% PI in the Lower Zakum, Offshore Abu Dhabi (UAE) asset in consortium with ONGC Videsh Ltd. and Bharat Petro Resources Ltd. The Company also acquired 17% PI in Mukhaizna Oil Field, a producing field in Oman, in April 2018.

IndianOil at a Glance

Explosives and Cryogenics

IndianOil registered the highest ever production and sale of explosives and cryogenics during 2017-18. The Explosives group manufactured and sold 177 thousand metric tonnes (TMT) of explosives during the year, registering a 12% growth over the previous year's volume of 158 TMT. The Cryogenics group sold 28,782 units of cryocans and cryo-vessels during the year as against previous year's sale of 27,694 units.

Alternative Energy and Sustainable Development

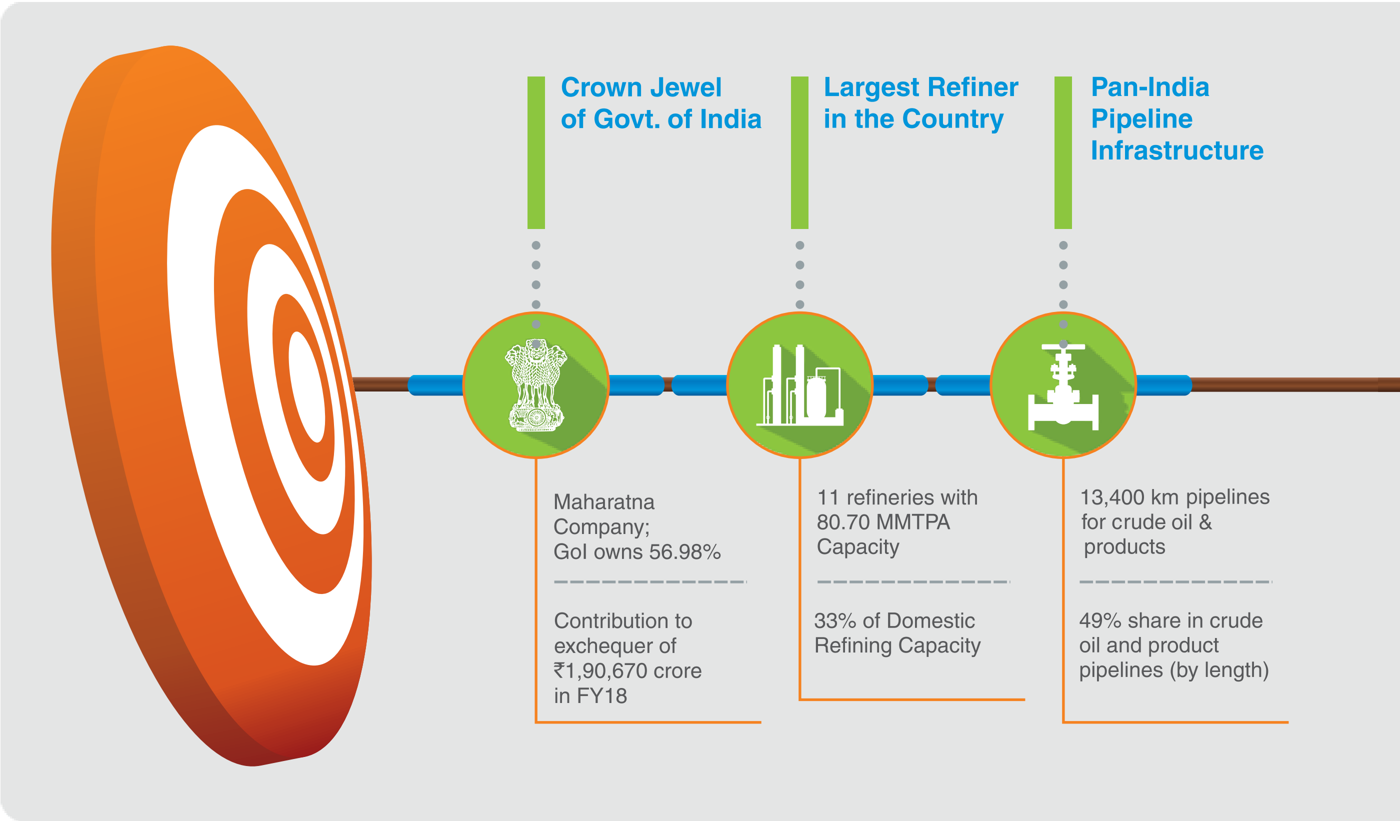
IndianOil has been one of the early investors in renewable energy sources in the country and today boasts of a 200-MW portfolio of wind and solar power capacity, which is being further expanded rapidly.

Looking ahead, the Company targets to bring solar power to all its refineries, installations and office buildings in the near future. In addition, the Company is the industry leader in converting the retail network to run on solar energy, with more than one-third of its fuel stations already running on solar energy and the rest to follow soon. The Company is also actively exploring several waste-to-energy options and has commissioned three waste-to-energy plants under *Swachh Bharat Abhiyan*.

In sync with the projected growth in electric mobility, IndianOil is exploring opportunities to manufacture and retail Lithium-ion batteries. Fast-charging stations are also being planned and five pilot charging stations have been put up at IndianOil fuel stations, one each in Nagpur, Kolkata, New Delhi and two in Hyderabad.

IndianOil is determinedly working on making its operations greener and aims to reduce its specific carbon and water footprints by 18% and 20% respectively by the year 2020, with 2012-13 as the base year.

IndianOil at a Glance



IndianOil at a Glance

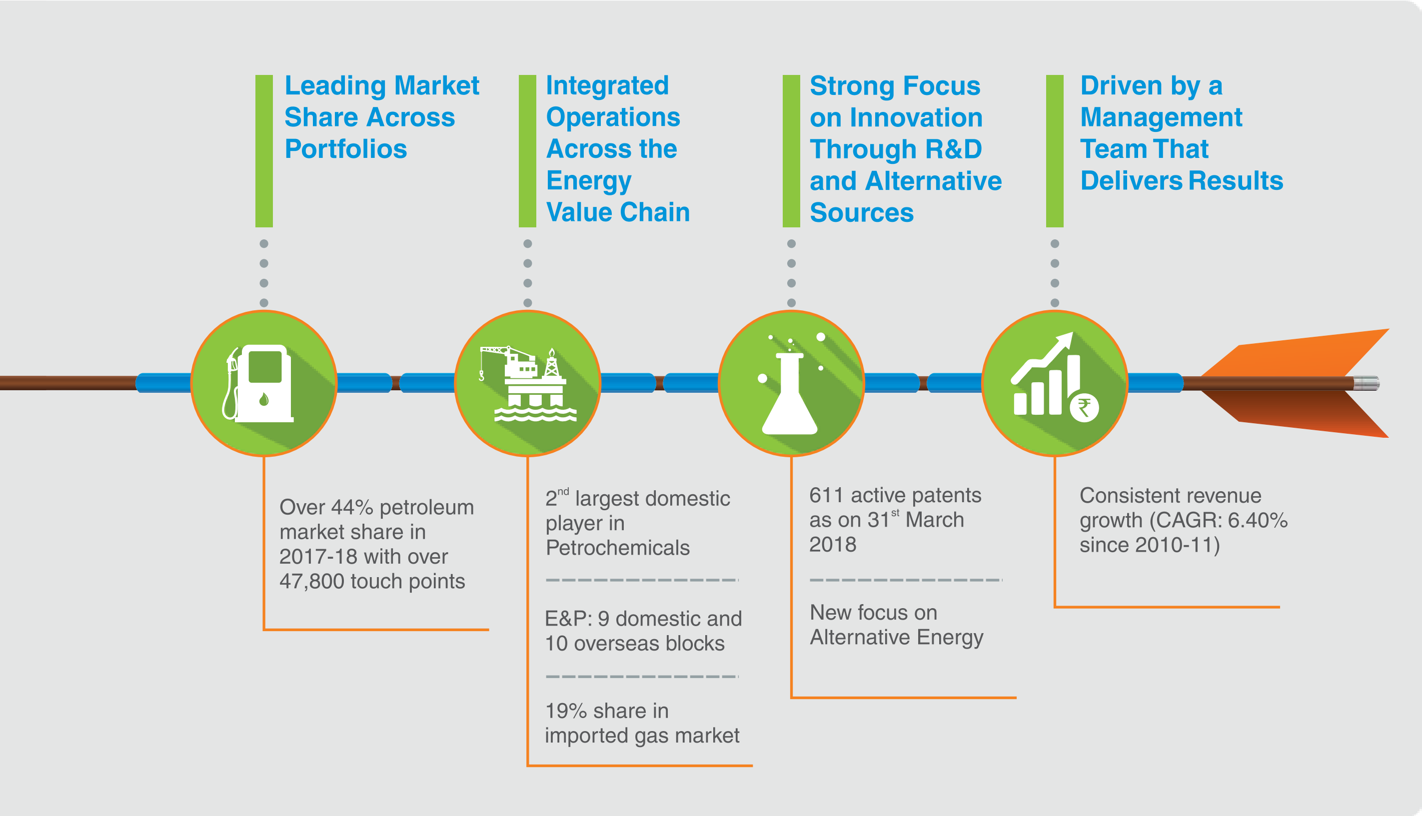
External Environment

As India's flagship public sector energy major, IndianOil operates in one of the biggest and fastest-growing energy markets in the world. The many mega trends shaping the Company's external environment include India's high GDP growth, its growing population and urbanisation; sustainable developmental goals of clean and affordable energy to all; climate change and pollution concerns; global trends by way of growth in LNG trade; shale revolution in the US; rapidly falling costs of renewable energy; rising interest in electric mobility; and consistent improvements in energy efficiency.

In the short to medium term, the Company is operating in a milieu that is witnessing a return to steadily rising oil prices, foreign currency fluctuations, heightened air pollution concerns, growing competition in the domestic market, policy objectives focussing on reducing import dependency, increasing energy access, and a growing demand for oil, gas and petrochemicals in the country.

An upshot of IndianOil's vision and its pivotal strategy to tackle the challenges and opportunities presented by a dynamic external environment has been growing integration and diversification of operations as well as global reach. Besides, the Company is committed to being a dependable partner in India's growth story with continued investments to enhance its asset base, striving for cost optimisation across the supply chain and making its operations and offerings greener and cleaner.

IndianOil has always attempted to fulfill its priorities on the socio-economic front while at the same ensuring sustainable growth and profitability. Besides being at the forefront in implementing key Government initiatives like the *Pradhan Mantri Ujjwala Yojana*, the Company partners communities in which it works with a comprehensive CSR agenda that focusses on specific areas such as hygiene & sanitation, education & skilling, rural development, environment, sustainability, protection of national heritage and promotion of art & culture.



Governance

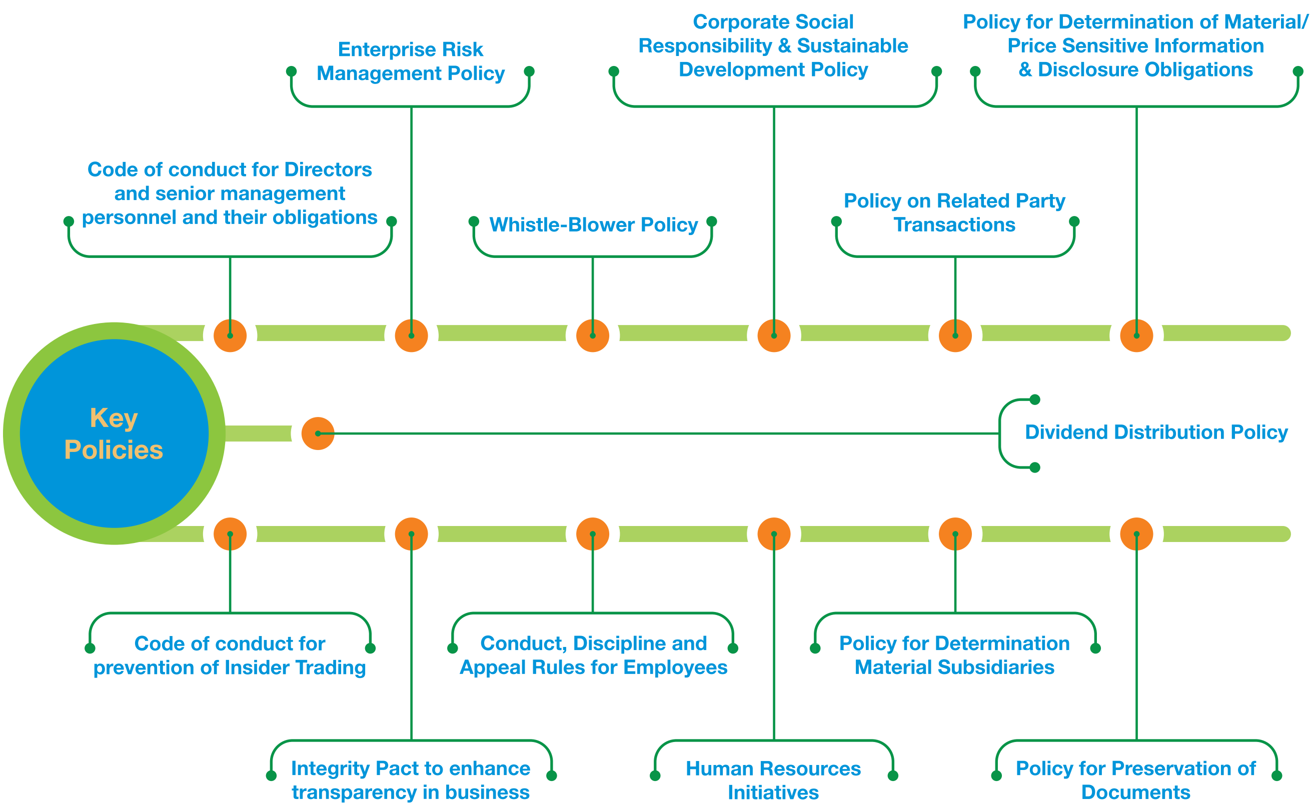
Transparency, integrity and accountability are the three principles that guide corporate governance at IndianOil. The governance system is intended to set high standards of ethical and responsible conduct of the Company's business to maximise value for all stakeholders, including shareholders, customers, 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.

Policy Framework

IndianOil has a structured and well-defined policy framework for effective implementation of corporate governance practices. An overview of key corporate policies is placed below.

Overview of key corporate policies



Governance

Board of Directors

IndianOil's Board of Directors comprises eminent persons with proven competence in diverse areas like business administration, engineering, law, finance, accounts and economics. The Directors have rich & varied experience and established record of corporate leadership skills, experience and expertise. The Board is focussed on ensuring that strategy, risk, performance and sustainable development considerations are effectively integrated and appropriately balanced in the decision-making process.

The Board of Directors is responsible for supervising the overall functioning of the Company and sets strategic objectives in order to achieve the corporate Vision. The Board lays down the Company's policies and oversees their implementation in line with its objectives and obligations.

IndianOil, 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 the terms and conditions of such appointments, including remuneration and evaluation, vests with the Government of India.

The tenure of the Directors appointed on the Board is as under:

- Whole-Time Directors: For a period of 5 years or their date of superannuation, whichever is earlier;
- Independent Directors: For a period of 3 years;
- Government Nominee Directors: On ex-officio basis during their tenure in MoP&NG

As on date, the IndianOil Board comprises 15 Directors, that is, six Executive Directors (Whole-Time Directors, including Chairman) and nine Non-Executive Directors, out of whom eight are Independent Directors and one is a Government Nominee Director.

Overview of the Board Members of IndianOil

Shri Sanjiv Singh (58 yrs)
Chairman
Graduate in Chemical Engineering from IIT, Roorkee

Shri A.K. Sharma (59 yrs)
Director (Finance)
Chartered Accountant and Graduate in Commerce and Law

Shri G. K. Satish (56 yrs)
Director (P&BD)
Graduate in Mechanical Engineering from NIT, Surat and Post-Graduate from MDI, Gurgaon

Dr. S.S.V. Ramakumar (54 yrs)
Director (R&D)
Doctorate in Chemistry from IIT, Roorkee

Shri B.V. Rama Gopal (59 yrs)
Director (Refineries)
Graduate in Chemical Engineering from Osmania University, Hyderabad

Shri Ranjan Kumar Mohapatra (54 yrs)
Director (HR)
Graduate in Mechanical Engineering from BITS, Pilani and Post-Graduate in Management from XIM, Bhubaneshwar

Governance

Shri Ashutosh Jindal (46 yrs)
Govt. Nominee Director
IAS Officer of 1995 batch, Graduate in Electronics & Communications Engg. and Post-Graduate in Economics

Shri Sanjay Kapoor (51 yrs)
Independent Director
Chartered Accountant

Shri Parindu Bhagat (65 yrs)
Independent Director
Graduate in Chemical Engineering and Law

Shri Vinoo Mathur (69 yrs)
Independent Director
Graduate in Science and Post-Graduate in Transport & Development

Shri Samirendra Chatterjee (65 yrs)
Independent Director
IAS Officer of 1976 batch and Post-Graduate in Physics

Shri C.R. Biswal (65 yrs)
Independent Director
IAS officer of 1981 batch and Post-Graduate in Physics

Dr. Jagdish Kishwan (65 yrs)
Independent Director
Indian Forest Service Officer of 1975 batch and Post-Graduate in Mathematics

Shri Sankar Chakraborti (47 yrs)
Independent Director
Graduate in Physics and MBA from University of Burdwan, West Bengal

Shri D.S. Shekhawat (46 yrs)
Independent Director
Chartered Accountant

Governance

Committees of the Board

The Board has constituted various committees to facilitate efficient and timely flow of the decision-making process. An overview of the committees of Board is placed below.

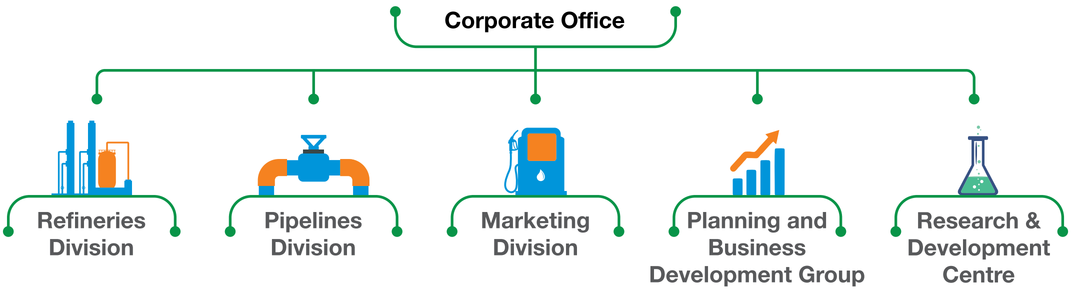
Statutory Board Committees

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility & Sustainable Development Committee
- Risk Management Committee

Other Board Committees

- Project Evaluation Committee
- Marketing Strategies & Information Technology Oversight Committee
- Deleasing of Immovable Properties Committee
- Contracts Committee
- Planning & Projects Committee
- LNG Sourcing Committee
- Dispute Settlement Committee

Organisation Structure



Board meetings are held on a regular basis (13 meetings during 2017-18) and the various Committees constituted by the Board with delegated powers also meet at regular intervals to deliberate and decide on various issues in order to expedite the decision-making process.

Strategy, Risk and Opportunity

Strategy

IndianOil nurtures the core values of *Care, Innovation, Passion* and *Trust* across the organisation to deliver stakeholder value. The Company is well-equipped to meet the nation's growing energy demand through continuous innovation and technology absorption, with a strong commitment to the objectives of self-sufficiency, sustainability and the triple bottom-line of 'People, Planet and Profit.' With its business operations extending overseas, IndianOil is poised to leverage its competitive edge built over decades of service to the nation.

As a progressive enterprise fuelling India's growth for nearly six decades, IndianOil is fully focussed on global energy dynamics and industry trends and is building the requisite capabilities, capacities and infrastructure to maintain its lead position.

The continuing robust growth of the Indian economy, with emphasis on manufacturing, infrastructure and services, is projected to push up domestic demand for energy. With fossil fuels accounting for a major share of the country's energy basket in the medium-term, the demand for oil & gas would continue to rise, at least till the year 2040.

In tune with the dynamic business environment, IndianOil has expanded and will continue to expand its presence in emerging, high-potential business avenues. While taking into consideration the emerging disruptive trends and technologies, the Company aspires to be a key player in the energy solutions space, with upstream & downstream integration and diversification at the core of its business strategy to grow beyond the domestic petroleum downstream sector.

Strategy, Risk and Opportunity

Targets and Implementation Plan

Refining

Targets
- Maintain leadership in refining capacity (150 MMTPA)
- Optimise internal energy consumption

Implementation Plan
- Greenfield and brownfield capacity expansions
- Sustained energy efficiency/ conservation measures

Pipelines

Targets
- Enhance pipeline evacuation from 57% currently to 82%
- Expand natural gas pipelines grid
- Crude oil supplier to inland refineries

Implementation Plan
- Building pipelines for product positioning at demand centres
- Capacity additions in crude oil handling infrastructure
- Single-berth mooring

R&D

Target
- World-class technology provider

Implementation Plan
- Increased investments in R&D
- Second campus focussing on alternative energy
- Collaborative R&D

Marketing

Targets
- Sustained market leadership in all business segments
- Optimised distribution network
- Marketing of alternative energy options

Implementation Plan
- Expand fuels and LPG retailing in rural markets
- Automation and modernisation of fuel stations
- Enhance customer services through digital transformation
- EV-charging and bio-CNG options

Targets 2030

- Leadership in business verticals
- Best Employer in India
- Among the top 100 in *Fortune's* 'Global 500'
- ROCE of 20%

Exploration & Production

Targets
- Equity Investment for 7 MMToe p.a. of oil & gas by 2023-24
- Expansion to 10 MMToe p.a. by 2030

Implementation Plan
- Strategic tie-ups with national and international partners
- Investments in countries of CIS, MENA, GCC regions
- Acquisition of producing assets
- Participation in domestic & overseas licensing rounds

Petrochemicals

Targets
- Production capacity of 13 MMTPA by 2030
- Polymer market leadership by 2030

Implementation Plan
- Realignment of marketing activities
- Consolidation through capacity expansion
- Entry into niche grades segment
- New complex as part of mega refinery project on West Coast

Alternative Energy & Sustainable Development

Targets
- Increase share of renewables in Company's energy basket
- Reduction in carbon and water footprints
- Develop alternative fuels business

Implementation Plan
- Scale up solar and wind-power projects
- Adopt energy efficiency, energy & water conservation measures
- Develop compressed bio-gas (CBG) business
- Set up 2G ethanol plants

Overseas Business

Target
- Increase overseas footprint to 8% of turnover by 2030

Implementation Plan
- Regional hubs in Dubai, Singapore, South Africa and Nigeria
- Agents/distributors in 20 countries to scout for new business
- Distribution infrastructure in overseas markets

Natural Gas

Targets
- Triple current market share in gas business
- Leadership in R-LNG segment
- Thrust on City Gas Distribution projects

Implementation Plan
- Sourcing of equity gas
- Judicious mix of long-term & spot procurement
- Domestic and transnational pipelines
- Develop import terminals/infrastructure

Strategy, Risk and Opportunity

IndianOil's business interests now straddle the entire hydrocarbons value-chain – from petroleum refining, pipeline transportation and marketing to oil exploration & production, petrochemicals and natural gas, besides alternative energy sources and globalisation of downstream operations. In recent years, the profit generation potential of some of the new business verticals has helped the Company offset the volatility in other traditional verticals. Realisation of this true value of a diversified business portfolio this way is a key element of IndianOil's long-term approach to attain leadership position of a global scale.

Risk Management

IndianOil considers risk management as a key element of its business operations and has put in place effective systems to identify, analyse, monitor and mitigate risks to ensure the organisation's sustained growth and profitability. Accordingly, the Company's risk management policy comprehends cautious assessment of risks, implementation of mitigation measures and periodic monitoring. The Company is equally sensitive to its external and internal environments.

IndianOil has institutionalised strong monitoring mechanisms by constituting a Risk Management Compliance Board (RMCB) consisting of senior executives from all its business verticals/critical functions and led by a Chief Risk Officer. Risk owners at all levels of the organisation are assigned tasks to optimise the risk mitigation plan through a bottoms-up approach. In line with SEBI's listing regulations, RMCB periodically submits risk review reports to the Risk Management Committee of the Board.

Strategy, Risk and Opportunity

Opportunities

Today, India is a major economic growth centre with growth potential of 8-10% per annum. Further, the country is set to become the most populated nation overtaking China in the next decade, be home to many mega cities, with urbanisation rate rising from 33% at present to 50% in the year 2030. This would provide diverse growth opportunities for IndianOil.

GDP Growth & Urbanisation
- To rise from 33% at present to 50% by 2030
- 8-10% p.a. growth potential
- Ease of Doing Business, *Make in India* initiatives

Vehicular Growth
- Two-thirds of freight movement by road
- Largest annual growth rate projected in road freight activity among large economies
- Passenger vehicle ownership much lower than the world average

Energy Access: Clean Cooking
- Large percentage of population dependent on biomass for cooking
- Government targeting to bridge energy divide with LPG

Aviation, Inland Waterways & Coastal Shipping
- Third biggest aviation market by 2034
- National Civil Aviation Policy 2016
- UDAN regional connectivity scheme
- National Waterways Act 2016, *Sagarmala*

Promotion of Natural Gas
- Target of 15% share in 3-4 years
- 10 million CGD connections by 2020
- Biggest CGD round announced

Petrochemicals Sector
- Low per capita consumption
- Refinery-Petrochemicals integration
- Plastics Parks, Housing for all, *Swachh Bharat*, *Make in India* schemes

Renewable Energy & Bio-fuels
- Falling costs
- Policy push - 175 GW by 2022
- National Bio-fuels Policy 2018

Upstream Policies
- HELP (Hydrocarbon Exploration Licencing Policy) - uniform licence regime
- Open Acreage Licencing Policy
- Discovered Small Fields
- 10% import reduction by 2022

Digitalisation
- Connected, intelligent, efficient, reliable and sustainable energy systems
- Customer connect - Apps

Pricing Reforms
- *PAHAL*, *GiveItUp*
- Dynamic Pricing

#GiveItUp

Opportunities for Growth

IndianOil

Strategy, Risk and Opportunity

The investment climate in the country is also improving with various initiatives and reforms addressing the ease of doing business.

In the long-term, IndianOil will take forward its long history of servicing petroleum demand of the country and continue to be the face of downstream oil in the country. India is the third-largest oil consuming nation in the world and in the future, it is set to experience one of the fastest growth rates in oil demand. Rising per capita income, growing demand for road freight, aviation and petrochemicals will be the key drivers over the next 15-20 years. Further, their impact is expected to more than outdo the dent in oil demand from rising vehicular efficiency and the expected rise of electric passenger vehicles and shared mobility.

The product surplus in domestic refining is slowly dwindling in the face of a robustly growing domestic demand for refined products. IndianOil has plans in place to expand its refining capacity through expansions at existing locations and is also leading the ambitious West Coast Refinery Project, which is set to be the world's largest greenfield integrated refinery-cum-petrochemicals complex to be built at an estimated cost of US$ 40 billion and with the capacity to process 1,200,000 barrels per day (60 MMTPA) of crude oil and produce over 18 MMTPA of petrochemicals. In addition, plans for concomitant investments in distribution and marketing infrastructure are afoot to cater to the growing demand.

In the oil & gas sector, deregulation and shift to market-driven prices have raised competition levels significantly, with entry of private players. IndianOil has foreseen rising competition levels in retail & institutional business in the short & medium terms and has been focussing on providing best-in-class services to its customers at the most competitive prices.

Beyond oil and gas, it is also recognized that other forms of energy will also be critical components of the Indian growth story. India is expected to have the fastest growth rates of energy over the long term. Being the flagship energy company of India, this puts the Company in a position which is plush with growth opportunities. IndianOil has sizeable investment plans across the energy value chain to service the growing energy needs of the growing Indian economy including alternative and renewable forms of energy. The Company is exploring all feasible avenues in the energy arena to offer the consumer a bouquet of fuel options and continue to remain their preferred choice.

Stakeholder Engagement and Materiality

Stakeholder Engagement

IndianOil believes that engagement with both internal and external stakeholders is of immense importance to help translate the blueprint of growth into enduring accomplishments. IndianOil conducts its business with utmost accountability, transparency and integrity, ensuring fairness for all the stakeholders. To ensure an ethical and efficient business conduct at all levels and to maximise the value for every stakeholder, IndianOil is striving to build an environment of trust and confidence. IndianOil engages with its stakeholders through various platforms round the year.

STAKEHOLDERS	MODE OF ENGAGEMENT
Financial Institutions	Investors' Meet, Annual General Meeting, Road Shows, Website
Shareholders	Annual General Meeting, Website, Reports, Investors' Meet, Grievance Redressal Mechanism, Annual Report
Employees	Events, Seminars, Periodicals, Workshops/Training Programmes, Employee-centric Applications, Surveys
Customers	Customer Care Programmes, Grievance Redressal Forums, Public Hearing, Helpline Numbers, Website
Government/ Regulatory Bodies	Meetings, Industry Forums, Regular Updates
Industry/ Trade Associations	Meetings, Seminars, Workshops

STAKEHOLDERS	MODE OF ENGAGEMENT
Business Partners/ Contractors	Dealer/Distributor Conventions, Transporter Meets, Meetings with Contractors/ Vendors, Seminars/Workshops
Community	Awareness Programmes, Meetings, Public Hearing
NGOs	Regular Meetings, Project Collaborations
Media	Website, Events, Press Meets, Investors' Meet, Social Media Platforms
Academic & Scientific Community	Student Relations Programmes, Sponsorship Initiatives, Guest Lectures

Through various structured collaborations and communications across earmarked channels, IndianOil aims to:

- Frequently monitor the issues raised by stakeholders
- Evaluate their concerns and develop appropriate measures for timely redressal
- Review the actions taken to reinstate the faith of stakeholders
- Ensure that the stakeholders are an integral part of IndianOil's triple bottom-line growth
- Nourish and nurture transparency and demonstrate accountability at all levels

Materiality

IndianOil identifies its material issues based on continuous engagement with its various internal and external stakeholders throughout the year. The material issues of the industry peers are also referred to while identifying the issues. The identified issues are complemented by the Company's Risk Management Team's research on emerging societal, economic, environmental and business scenarios. Accordingly, IndianOil identified climate change, carbon-water-waste management, energy conservation, product & operational efficiency, product quality and safety, occupational health & safety, customer satisfaction, human rights, employee engagement, impacts on communities as issues that are material to the organisation.

VALUE CREATION MODEL

INPUTS

Financial Capital

- Equity: ₹1,10,171 crore
- Expenses: ₹3,87,822 crore
- Borrowings: ₹58,030 crore

Manufactured Capital

- 11 refineries (inc. 2 of subsidiary)
- 13,400 km of cross-country pipelines
- 323 operating locations
- 19 E&P blocks; 3 petrochemical plants

Intellectual Capital

- R&D expenditure of ₹316.63 crore
- Elite team of over 350 scientists
- Integrated IT infrastructure, enterprise-wide tools & secured technology stack

Human Capital

- Workforce of 33,157 people
- ₹119 crore L&D expenditure
- 1,30,000 employee training mandays

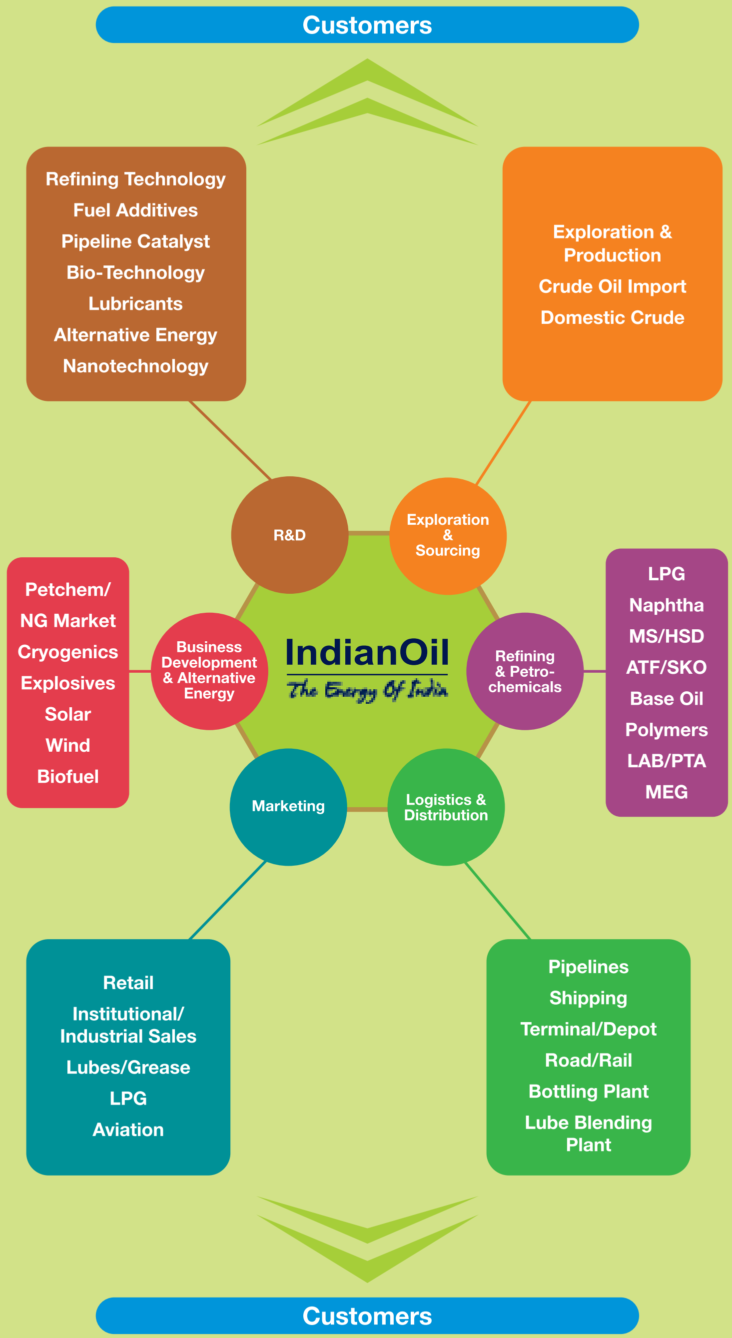
Social & Relationship Capital

- ₹331.05 crore of CSR expenditure
- Contribution to Exchequer: ₹1,90,670 crore
- More than 47,800 customer touch-points

Natural Capital

- 202 MW renewable energy portfolio
- 2,91,235 TJ of energy consumed at refineries
- 99.44 million kl of water consumed at refineries

BUSINESS ACTIVITIES



OUTPUTS

Financial Capital

- Generated revenue of ₹5,06,428 crore
- EBITDA: ₹43,079 crore
- Profit: ₹21,346 crore

Manufactured Capital

- Throughput of 69 million tonnes crude oil
- Pipeline throughput of 85.68 MMT
- Products' sale of 88.76 MMT
- Output of E&P assets : 2.7 MMTOe

Intellectual Capital

- 82 patents filed and 54 earned in 2017-18;
- Total active patents = 611
- ₹1,693 crore savings ascribed to in-house R&D technologies
- Big data, analytics capability & experimentation with digital technologies - to be future-ready

Human Capital

- Strong leadership team driving a high performance culture
- *Saksham* – 400 executives in senior grades trained at IIPM; 250 executives in middle management grades trained in B-School campuses
- Over 40% Gen Y/Millennials

Social & Relationship Capital

- CSR programmes covered over 1.2 crore beneficiaries
- Deposit-free LPG connections released to women from 73.8 lakh BPL households
- Eye check-up camps held for over 25,000 tank-truck crew

Natural Capital

- 337 GWh of renewable energy generated in Refineries
- 3.26 million kl of rain-water harvested
- 89% of effluent water recycled and reused

OUTCOMES

Financial Capital

- Debt/Equity ratio improved from 1.3 to 0.53 over the last four years
- Improvement in credit rating
- Contribution to Exchequer: ₹1,90,670 crore

Manufactured Capital

- 5.8% increase in crude oil throughput
- 11.06% growth in pipeline products throughput
- Improvement in distillate yield to 80.4%
- Second largest petrochemicals player in India
- Increase in upstream integration ratio

Intellectual Capital

- 100% import substitution of defence lubricants
- Novel pathways for carbon footprint reduction
- Active contribution in Government's Auto Fuel Policy and Bio-fuels Policy
- Strategic insights, real-time monitoring of focus areas for agility and resilience

Human Capital

- Emerged as the best PSU to work for
- Promoting employee well-being and wholesome life
- Women leadership development

Social & Relationship Capital

- Inclusive growth initiatives in surrounding communities
- Building trust and long-term relationships with stakeholders
- Smokeless Villages initiative to promote LPG use

Natural Capital

- Specific greenhouse gas emissions from refineries decreased by 7.45% (compared to 2012-13)
- Specific water consumption from refineries decreased by 8.61% (compared to 2012-13)
- 40,000 tonnes of CO_2 sequestration potential p.a

Description of Capitals

Financial Capital

Financial capital can be defined as pool of funds that is available to an organisation for use in the production of goods or the provision of services (Source: The International <IR> Framework, IIRC).

With a focussed approach on creating and managing stakeholder value, IndianOil is delivering operational excellence while judiciously allocating and using its resources.

The Company is continuously delivering growth in the current challenging financial market conditions of fluctuating commodity prices, exchange rates and petroleum product prices while maintaining a healthy bottom-line with the highest ever revenue and profit during the year.

The Company incurred a capital expenditure of over ₹20,000 crore to ensure future growth and enhanced value creation.

Input-Output-Outcome model

Key Inputs

- Equity: ₹1,10,171 crore
- Debt: ₹58,030 crore
- Expenses: ₹3,87,822 crore
- Investment in other group entities: ₹14,644 crore

Key Outputs

- Revenue: ₹5,06,428 crore
- EBITDA: ₹43,079 crore
- Profit: ₹21,346 crore
- Cash EPS: ₹29.98

Key Outcomes

- IndianOil has been consistently the largest contributor to the National and State exchequers in the form of duties and taxes. During 2017-18, ₹1,90,670 crore was paid to the exchequers in the form of duties and taxes. In addition, IndianOil has made the following contributions to other stakeholders:
  - Employees: ₹10,079 crore
  - Community (CSR): ₹331 crore
  - Providers of Capital:
    - Interest to Lenders: ₹3,448 crore
    - Dividend to Shareholders: ₹11,169 crore
- IndianOil has been focussing on improving the Debt/Equity ratio over the last five years to maintain the capital structure. The Debt/Equity ratio improved from 1.3 in 2013-14 to 0.53 for the year ending 31st March 2018.
- IndianOil has obtained the following ratings from foreign credit rating agencies
  - Moody's has upgraded IndianOil's rating to Baa2 from Baa3. The outlook on these ratings have been revised from positive to stable. This indicates the Company's strategic importance as it owns and operates the majority of the country's fuel refining entities and fuel distribution infrastructure.
  - Fitch has provided IndianOil with a rating of 'BBB-'. This signifies IndianOil's strong operational and strategic linkages in line with Fitch's Parent-Subsidiary Linkage Criteria.

  The credit ratings provided by foreign credit rating agencies is the same as the rating given to India.
- During the year, the Company has refinanced an existing loan of USD 300 million (maturing in 2022) at an all-in cost of 2.16% from 3%.

Description of Capitals

Manufactured Capital

Manufactured capital can be defined as manufactured physical objects (as distinct from natural physical objects) that are available to an organisation for use in the production of goods or the provision of services (Source: The International <IR> Framework, IIRC).

Manufacturing is at the core of business activities. Oil & Gas sector projects are typically capital intensive with high gestation periods. Over the years, IndianOil has built an extensive infrastructure network that stands as a proud testimony of its manufactured capital.

IndianOil's refineries and petrochemical plants, its countrywide network of crude oil, liquid & gas pipelines, petrol/diesel stations, LPG and *SERVO* lubricant distributorships, bulk storage terminals and depots, aviation fuel stations, LPG bottling plants, lube blending plants, city gas distribution (CGD) networks, oil & gas blocks, bulk explosives and cryogenics plants, and the R&D Centre at Faridabad, constitute the manufacturing capital, which is helping the Company achieve its vision of being '*The Energy of India.*'

IndianOil, along with its subsidiary Chennai Petroleum Corporation, is the largest refiner in the country with 11 refineries and 80.7 MMTPA of refining capacity. Finished products are suitably delivered to every nook and corner of the country through an optimised network of pipelines, rail and road transport. The Company owns and operates about 49% of the country's petroleum retailing infrastructure by way of fuel stations, LPG distributorships, LDO/SKO distributors, *SERVO* stockists, bulk consumer pumps and aviation fuel stations. They are backed up for logistics support by upcountry bulk storage depots, terminals, LPG bottling plants, lube blending plants, etc.

IndianOil has over the years achieved vertical integration and diversification into various segments of the energy value chain. Besides its traditional leadership in petroleum refining and marketing, IndianOil has in recent times grown to be the second largest marketer of petrochemicals and natural gas in India. It has acquired a sizeable portfolio of upstream assets in India and abroad to secure equity oil and gas.

Besides consolidating refining & marketing strengths, IndianOil is currently augmenting its infrastructure in new businesses by developing petrochemical complexes, LNG import terminals, city gas distribution (CGD) networks, gas pipelines and CNG stations. The Company also has significant presence in explosives and cryogenics businesses.

The Company's business activities are supported by its world-class R&D Centre, which focusses on innovative ways to achieve indigenisation and import substitution by developing world-class technologies, products and processes. The Company has a well-defined Health, Safety & Environment (HSE) policy and has adopted best-in-class safety management systems.

Looking ahead, IndianOil is focussing on several priority areas to fully exploit emerging opportunities for growth, expansion and diversification in line with the growing demand across all forms of energy.

IndianOil

Description of Capitals

Focus Areas

Refineries

- Sustaining GRMs in a challenging scenario
- Cleaner BS-VI fuels in many more districts of Delhi NCR before 2020
- Operational excellence: Improving distillate yield, reducing fuel & loss and Specific Energy Consumption (MBN)
- Improving flexibility: Increase in processing of cheaper, heavy & high-TAN crude oil grades for better realisation

Marketing

- Expanding supply chain and optimising logistics ahead of demand growth
- Sourcing of products from international markets for meeting demand
- Expanding *Kisan Seva Kendra* fuel stations and *Durgam Kshetra Vitarak* LPG distributorships in rural markets
- Automation of fuel stations network by December 2018
- Flexibility of operations at port terminals
- Expansion of LPG infrastructure and distribution network to reach all households in the country
- Thrust on new-age fuel options: CNG and Bio-CNG pumps, EV charging stations
- Customer-friendly packaging (e.g., poly-packaging of bitumen)
- Infrastructure for increased export sales to Nepal and Bhutan

Alternative Energy & Sustainable Development

- Investment in alternative energy sources
- Wind and solar energy
- Conversion of fuel stations to operate on solar energy
- 2G-ethanol projects in UP, Haryana and Gujarat
- Waste-to-energy, Bio-CNG, EV battery manufacturing

Explosives and Cryogenics

- Market penetration
- Increasing market share in sales of explosives and cryogenics

Pipelines

- Enhanced capacity utilisation
- Connecting more POL demand centres
- Enhanced focus on LPG pipelines
- Debottlenecking and flexibility in operations
- Developing SPM facilities and crude oil pipelines network commensurate with and in sync with refinery expansions

Petrochemicals

- Maximise Petrochemicals margin through capacity addition and value-added products
- Expanding niche products portfolio
- Increasing network for penetration into domestic polymers market
- Infrastructure for export of petrochemicals

Gas

- Building LNG import capacity & infrastructure
- Natural gas pipelines grid
- Network expansion for City Gas Distribution
- Auto-LPG through fuel stations

Digitalization

- Technology enablement of key business capabilities –IoT for predictive maintenance, shutdown management tool, mobile app. augmentation, etc.
- Digital payments and web-booking, enhanced customer safety and convenience

Exploration & Production

- Acquisition of Participating Interest in foreign assets
- Ensuring production from upstream assets

Description of Capitals

Input-Output-Outcome model

Key Inputs

- 9 refineries; 69.2 MMPTA refining capacity
- 58.01 MMT of crude oil imported during the year, as against 55.71 MMT in 2016-17
- Import of petroleum products during the year was 6.53 MMT as against 7.21 MMT in the previous year
- 13,400 km of cross-country pipelines transport crude oil, gas and petroleum products
- Over 47,800 customer touch-points; 27,089 fuel stations
- 323 supply locations, including 125 terminals/depots, 91 LPG bottling plants and 107 aviation fuel stations
- 3 petrochemical plants
- 9 domestic and 10 overseas oil & gas blocks
- CGD networks operational in 9 Geographical Areas, 3 under commissioning
- 12 bulk explosives plants & 1 cryogenics plant
- State-of-the-art R&D Centre
- 202 MW of renewable energy capacity

Key Outputs

- 69 MMT of crude oil throughput with refinery capacity utilisation of 99.7% vs. 94.2% in 2016-17
- 80.4% distillate yield, up from 78.8% in the previous year
- 8.75% Fuel & Loss and 72.61 Specific Energy Consumption (MBN) respectively vs 9.4% and 74.9 registered in 2016-17
- 51.08 million tonnes crude oil pipelines throughput
- 34.60 million tonnes product pipelines throughput
- Highest ever throughput of 1,683 MMSCM through gas pipelines
- 1,76,757 million tonnes of explosives sold, with 12% growth over the previous year
- 28,782 units of cryocans and cryo-vessels sold
- 2.67 MMT annual production from E&P assets
- 337 GWh of renewable energy generation
- CNG facilities commissioned at 100 fuel stations

Key Outcomes

- GRM of $8.49/bbl with overall Nelson Complexity Factor of 8.8 for refineries
- Distillate yield of 80.4% against PSU average of 79.9%
- Processing of high-sulphur crude oil raised to 55.6% from 51.6%
- Processing of cheaper, heavy & high-TAN grades stepped up to 21.4%
- Market leadership with POL market share of over 44% and sales of 77.13 MMT
- Petrochemicals business segment reported EBIT of ₹5,226 crore in 2017-18, which is 14.5% of company's EBIT
- Upstream Integration Ratio of 5.36%
- Growth in natural gas business: 19% share in India's R-LNG segment, increasing penetration of Natural Gas as cooking and transportation fuel
- Overseas presence expanded with new offices in Myanmar, Bangladesh and Singapore
- Foray into electric vehicles; pilot charging stations commissioned at Nagpur, Hyderabad, Kolkata and Delhi fuel stations

Description of Capitals

Human Capital

Human capital can be defined as people's competencies, capabilities and experience, and their motivations to innovate (Source: The International <IR> Framework, IIRC).

IndianOil considers its human resource as its most valuable assets and is wholly committed to investing in the growth and empowerment of its work-force.

The Company is continuously acquiring cutting-edge conceptual, inter-personal and leadership skills through appropriate learning & development interventions.

IndianOil believes in participative culture for promoting employee participation in management and has been implementing various initiatives, including but not limited to YourSpace@IndianOil – Chairman's new initiative to connect with employees, *YuvaUrja* to connect with Gen Y and Millennial employees, *GuruMitra* Mentoring Framework, active engagement with academia, Total Productivity Maintenance (TPM) and internal customer surveys.

Partner Institutes

IIM | IIMB | Calcutta | XLRI | IIM | IIM | IIM Indore | TISS

Learning & Development Basket

- Development Programmes
- Functional Capability Building Programmes
- Flagship Programmes
  - Cutting Edge
  - Threshold
  - Sr. Management Programme
- Project *'Saksham'*
- Online Modules EBSCO Library

Focus Areas

Source (Talent Acquisition)

- Employee Value Proposition (EVP)
- Recruitment of best talent
- Active engagement with academia
- Presidential Directives (Reservations for SC/ST/OBC/PwD)

Develop (Talent Development)

- Create "future-ready" workforce
- Project '*Saksham*' Leadership Competency Development Programme – Succession Planning
- Mentoring Framework – '*GuruMitra*'
- Skill Development Programmes
- E-learning

HR Excellence

- Review of HR policies, alignment with employee aspirations
- Manpower optimisation and benchmarking

Perform (Performance Management, Culture)

- Online Performance Management System
- Well-defined Leadership Competency Framework
- Organisational Goals cascaded to employees as KRAs, KPIs and Targets
- Performance feedback workshops for Appraisers/ Reviewers
- Employee Assistance Programmes

Affiliate (Employee Engagement)

- 2018: Observed as Year of Trust
- IndianOil certified as a "Great Place to Work"
- Internal Customer Survey
- *YuvaUrja* – Platform for Gen-Y, Millennials
- YourSpace@IndianOil – Chairman's new initiative to connect with employees

Description of Capitals

Input-Output-Outcome model

Key Inputs

- Total workforce: 33,157 (as on 31st March 2018), including 8.36% women employees
- IndianOil Institute of Petroleum Management (IiPM, apex learning centre), 23 divisional training centres and 75 nodal centres
- ₹119 crore L&D expenditure
- 3,093 training programmes
- 1,30,000 employee training man-days
- 88,312 mandays of HSE training
- *Saksham* – Leadership development modules conducted at IiPM and seven B-school campuses
- Long-term Leadership development programme for women
- Organised mass awareness campaign for safe decantation of tank-trucks at 2,600 fuel stations covering 6,400 dealers and 19,500 staff members
- *GuruMitra* – Corporate Mentoring Framework
- YourSpace@IndianOil – Ideas sought from employees, directly to Chairman

Key Outputs

- Strong leadership team driving a high-performance culture
- *Saksham* – 400 executives in Grades F/G/H trained at IiPM; 250 executives in Grades D/E in B-School Campuses
- Attrition rate: less than 1%
- Average age of executives reduced over last 5 years
- Focused initiatives taken, internal customer survey on Trust
- Mentors assigned to each new executive joining IndianOil
- Institute of Chemical Technology (ICT) Mumbai – IndianOil Odisha Campus (IOC) set up at Bhubaneswar
- Initiatives such as *YuvaUrja* helped in connecting with Gen Y
- Strengthened employee engagement through EVP and mentoring programmes
- 'Best PSU to Work For,' among the top 30 best companies to work for in India; ISTD National Training Award for innovative HR practices

Key Outcomes

- Enhancing technical knowledge and experience of employees through various learning and development initiatives
- Enabling IndianOil to operate its facilities safely, effectively and more efficiently through various HSE training interventions
- Encouraging employees to follow established safety practices and environment-friendly policies through knowledge-sharing platforms
- Creating future leaders through "Saksham" Competency Development Programme
- Promoting women leaders through leadership development programmes for women
- Attracting best talent through Employee Value Proposition (EVP) initiative
- Committed to policy of no discrimination and equal opportunity employer
- Making people 'future-ready' through focussed developmental initiatives
- Creating trust amongst employees; observing 2018 as the 'Year of Trust'
- Creating 'Leaders for Tomorrow' through succession planning framework
- Hand-holding budding talent through mentoring framework 'GuruMitra'
- Promoting continuous learning & development through strong academia collaboration
- Strengthening employee engagement through forums for Gen Y & Millennials such as *YuvaUrja*, Young Officers Conclave, Ideas Mela, Budding Executive Search for Talent (BEST), etc.
- Promoting employee well-being; wholesome life in IndianOil

IndianOil

Description of Capitals

Intellectual Capital

Intellectual capital can be defined as organizational, knowledge-based intangibles (Source: The International <IR> Framework, IIRC).

IndianOil is the first oil marketing company in India to set up a diversified R&D establishment aiming at not only imparting competitive and innovative edge to its conventional business line but also to develop techno-commercially viable sustainable/renewable energy options.

Established in 1972, it has over the years emerged as a world-class centre for downstream petroleum R&D, with active research programmes in a wide range of energy domains like lubricants technology, refinery process technology & catalysts, petrochemicals & polymers, nano-technology, bio-fuels and bio technology, and renewable energy options.

The Centre has now embarked upon extending its facilities at an estimated plan outlay of ₹2,500 crore to house exclusive scale-up/demo facilities of in-house technologies and infrastructure pertaining to alternative energy research.

'Innovation' **being one of the core values of IndianOil, the Company believes that Innovation is the key to being the market leader in the oil & gas sector in the country.**

IndianOil's R&D Centre has garnered 611 active patents, of which over 388 are international patents. During the year 2017-18, the Company filed for 82 new patents (38 Indian and 44 overseas) and earned 54 (14 Indian and 40 overseas) patents.

611 Active Patents

Product Application & Development Centre (PADC)

PADC is IndianOil's state-of-art application development laboratory & technological support facility specifically set up to support its ambitious polymer business forays. As an interface between the Company's polymer plants, its marketing set-up and end-use customers, PADC develops new applications, formulations and grades that are in sync with market needs.

Process Design Engineering Cell (PDEC)

PDEC, as part of the Company's Refineries Division, carries out in-house design & engineering studies of various technologies and develops innovative and cost-effective design and configuration solutions for incorporation in IndianOil refineries.

Description of Capitals

Some Major R&D Accomplishments

OCTAMAX

- Successfully commissioned OCTAMAX Unit at Mathura Refinery by using state-of-the-art refining technology developed by IndianOil's R&D Centre.
- Produces high-octane fuel for BS-VI petrol by converting C-4 streams from Catalytic Cracker and/or Naphtha Cracker units to high-octane gasoline (petrol) blending stream, in compliance with stringent fuel quality norms.

Bio-Energy

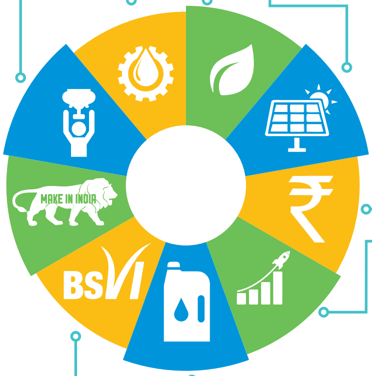
Developed a process to convert CO_2 into fatty acids relevant to bio-diesel along with co-production of high-value products (Omega-3 fatty acid) in collaboration with Lanzatech

Alternative Energy

- Commissioned Bio-methanation plant of 250 kg/day capacity at Digboi Refinery for conversion of kitchen waste into biogas.
- Successfully launched demonstration trials of India's first Hydrogen fuel cell bus, together with Tata Motors Ltd.

INDMAX

INDMAX adjudged winner at 22nd World Petroleum Congress in Turkey, among 120 entries



Bioremediation

Developed bioremediation technology called Oilivorous, an environment-friendly and cost effective solution to restore oil-soaked soil to its original condition; successfully deployed to remediate recent Chennai Oil Spill

Delayed Coking

Implemented Delayed Coking technology for revamp of 0.6 MMTPA Coker-A unit at Barauni Refinery with successful commissioning

Start-Up Fund

Launched "IndianOil Start-Up Fund" to promote start-up initiatives in the oil & gas sector; 11 projects selected for funding and incubation in technology as well as business process domains.

DHDT

Successfully revamped DHDT unit at Gujarat Refinery from 2.2 to 2.86 MMTPA using in-house developed indeDiesel technology for producing BS-VI compliant diesel.

Lubricants

- Developed 122 lubricant formulations
- Developed novel, field-proven green combo solution for heavy-duty diesel segment comprising engine, gear & axle oils, which offers an overall fuel efficiency of 3 to 4%

Action Plans

Refining Technology

Demo Plants, Catalyst screening & evaluation facilities, Simulation Software, Pilot plant (Heavy end processing, hydrocracker), Micro reactors, Basic Design & Engineering capabilities, Gas pipeline, IPIGs

Petrochemicals & Polymers

Catalyst for PE/PP, DRA scale up, Synthetic lube base stocks, Lube Additives

Alternative Energy Research

Solar Energy, Hydrogen, Fuel Cells, 2nd/3rd Generation Biofuels

Lube Technology

Fuel/ Energy efficient/ bio-degradable/food grade/ long drain lubricants & greases, lubricants for alternative fuelled (B/10/100, E5/10/20, M15, CNG, Hydrogen and E-vehicles) vehicles, BS-VI test facilities for cars & two wheelers, Palletized / transient engine test benches, RDE infrastructure

New Initiatives

Energy storage devices, Gasification, Bio-fermentation, Nanotech, Corrosion research

Description of Capitals

Input-Output-Outcome model

Key Inputs

- R&D expenditure of ₹316.63 crore
- R&D Campus spread across 65 acres, including 1 Library, 1 learning Centre, 62 Pilot Plants, 34 Engine/Vehicle Test Benches
- Highly-qualified team of 424 employees including Scientists (350) and supporting staff (74)
- Study conducted to bridge gaps in digital and related technologies and to strategically use IT
- Collaboration with 8 research institutes and 18 leading companies
- Driving factors including regulatory requirements such as Intended Nationally Determined Contributions (INDC)

Key Outputs

- Filed 82 patents; granted 54 (2017-18) ; Total active patents: 611 (10.2 % increase from 2016-17)
- Savings ascribed to R&D technologies: ₹1,693 Crores
- Enhanced customer-based brand equity
- State-of-the-art and cost effective technologies such as INDAdeptG, delayed coking; octamax, etc
- 350 trained personnel on recent technological advancements
- Established clear road map for:
  - bridging existing gaps
  - experimenting with identified relevant and emerging technologies
  - capability building of IT organisation
  - fortifying and enhancing IT infrastructure, tools & technology stack

Key Outcomes

- 100% import substitution of defence lubricants
- Self reliance in lubricant technology- *SERVO* No.1 Lube brand
- Bouquet of refining process technologies for BS-VI compliance like Octamax, IndeDiesel, IndDSK, IndDSN, IndAdept, IndSelect and IndJet
- Indigenous refinery catalysts adopted in IndianOil as well as non-IndianOil refineries
- In-house developed 1G, 2G and 3G bio fuel technologies
- Indigenously developed pipeline inspection tools saving precious foreign exchange
- Plethora of techno-commercially viable renewable energy options
- Successful nano interventions in hydrocarbon sector
- Field proven bio-remediation and bio-ETP processes
- Several novel pathways for carbon footprint reduction
- Active contribution in Government policies like Auto fuel policy and Bio-fuel policy
- Considerable insights gained by effectively using big data and analytics, to identify the specific issue to be focused and take real-time decisions which is providing competitive advantage

Description of Capitals

Social & Relationship Capital

Social and Relationship Capital can be defined as the institutions and the relationships within and between communities, update stakeholders and other networks (Source: The International <IR> Framework, IIRC).

IndianOil has been working closely with various stakeholders and implementing a large number of initiatives aimed at the welfare of the underprivileged, marginalised sections, primarily in the vicinity of its establishments across the country.

IndianOil's corporate investment approach has been in place for many years now, resulting in long-term positive relationships with its stakeholders. Since inception, IndianOil has been focussing on improving the quality of lives of its stakeholders in key thrust areas, that is, safe drinking water and protection of water resources, healthcare & sanitation, education and employment-enhancing vocational skills, and empowerment of women and socially/economically backward groups.

IndianOil also invested in providing in-depth training to customer attendants at Retail Outlets and LPG Distributors to provide enhanced service levels and customer perception.

Pradhan Mantri LPG Panchayats (PMLPs) bring together LPG customers on an interactive platform to discuss about safe and sustainable usage of LPG, its benefits and the linkage between use of clean fuel for cooking and women empowerment. To build stronger relationship with Lubes customers, IndianOil conducts various meets, campaigns and seminars in addition to major transporter meets conducted at different places.

Focus Areas

Skill Development

- Providing opportunities for skilling & livelihood to unemployed & underprivileged youth through four major skill centres & other service- providers across the country.

Healthcare

- Extending primary as well as secondary/tertiary healthcare services through full-fledged modern hospitals and expanding IndianOil's medical outreach through mobile medical units for underprivileged/marginalised sections residing in the vicinity of IndianOil's units/installations.

Training of Dealers & Customer-facing Workforce

- Providing in-depth training to customer attendants working in the Company's fuel stations and LPG Distributorships.

Women Empowerment

- Providing comprehensive training in nursing & midwifery (diploma and degree courses) to under-privileged girls in the Northeast at IndianOil's Assam Oil School of Nursing, Digboi, to enable them to become professional nurses.

Clean Drinking Water and Clean Energy

- Installing RO water plants and solar lights for the benefit of rural populace in far-flung areas.

Education

- Extending educational assistance by running five schools located in IndianOil's refinery townships and by providing scholarships to students of Government ITIs and polytechnic institutes located in the vicinity of the Company's refinery units.

Assisting *Divyangjan*

- Providing assistive devices like tricycles, wheel chairs, crutches, walking sticks, artificial limbs, etc., to underprivileged *divyangjan* beneficiaries residing in the vicinity of IndianOil's units/installations.

Building Relationship with Customers

- Creating forums to connect with customers for obtaining feedback, create customer awareness and address their concerns.

Description of Capitals

Input-Output-Outcome model

Key Inputs

- ₹331.05 crore spent on CSR activities in 2017-18
- Focussed initiatives to provide free/highly subsidised training in various vocational skills at IndianOil's Skill Development Institute, Bhubaneswar, and also in association with National Skill Development Corporation (NSDC), Central Institute of Plastics & Engineering Technology (CIPET), etc.
- Medical services to local communities through Assam Oil Division Hospital, Digboi, and Swarna Jayanti Samudayik Hospital, Mathura.
- Provision of clean drinking water facilities by installing RO plants, bore-wells, hand-pumps, overhead tanks, water pipelines, etc.
- Support to four Kendriya Vidyalaya at refinery units at Barauni, Guwahati, Haldia and Mathura and a higher secondary school at Bongaigaon.
- Provision of scholarships to under-privileged students in 30 ITIs and polytechnic institutes.
- Provision of assistive devices to *divyangjan* in association with ALIMCO.
- Provision of LPG to women from BPL families in place of biomass.
- In-depth training to customer attendants at fuel stations and LPG distributorships
- *Pradhan Mantri LPG Panchayat* (PMLP) events to connect with LPG customers for obtaining feedback, create customer awareness and address their concerns

Key Outputs

- More than 1.2 crore beneficiaries from CSR projects
- About 1,400 beneficiaries successfully completed various skill development courses in the States of Odisha, Bihar, Assam & West Bengal
- 73,867 underprivileged patients from local communities in Assam and Uttar Pradesh received medical treatment
- About 9 lakh people benefitted from about 100 drinking water projects taken up across the country
- 3,345 students received the Company's support through five schools at refinery townships
- 1,308 students from 30 ITIs and polytechnic institutes were selected for availing of scholarships under IndianOil Gyanodaya Scheme
- 902 *divyangjan* beneficiaries in Andhra Pradesh, Bihar, Odisha and Punjab
- 73.8 lakh LPG connections released to women from BPL families
- 1,200 customer attendants trained as trainers under Project Parivartan
- 1.21 lakh customer attendants trained under *Project Chetna* (cumulative: 4.56 lakhs)
- 3,746 dealers trained under *Project Disha* (cumulative: 11,010)
- Awareness about the benefits and safe use of LPG as a cleaner fuel alternative for cooking among the rural populace to women from BPL families

Key Outcomes

- Better availability of free/subsidised healthcare facilities, education and vocational skilling, clean drinking water for stakeholders across various geographies
- Earned stakeholders' goodwill as a responsible corporate citizen through various Company-led social welfare activities
- Provided opportunities for skill-based employment for the certified beneficiaries of various skill development courses
- Provided opportunities for stable careers and livelihood to young under-privileged girls.
- Enhanced the quality of life of the community (women & children) by providing access to cleaner LPG cooking fuel, minimised negative impact of traditional fuels on environment
- Improved service levels and customer perception in the forecourt of Company's fuel stations
- More than one lakh tank-truck drivers benefitted from health check-up camps conducted at the Company's fuel stations across the country.
- Availability of a wide range of petroleum, petrochemicals and allied products ensured through the Company's 47,800 customers touch-points spread across the country.
- Improved image of the Company through active engagement with industry associations, professional bodies and academia

Description of Capitals

Natural Capital

Natural Capital can be defined as all renewable and non-renewable environmental resources and processes that provide goods or services that support the past, current or future prosperity of an organization (Source: The International <IR> Framework, IIRC).

IndianOil's key agenda for environmental sustainability stands on the pillars of minimising its carbon, water and waste footprint. Under the direct supervision of senior management, the Company continues to assess its material environmental concerns and undertakes appropriate mitigation measures through a host of policies and practices.

A separate Alternate Energy & Sustainable Development Department has been formed at the corporate level to identify, implement and monitor various sustainability initiatives across the Company's operations.

Effective management of natural capital has always been a key priority and the Corporation actively pursues opportunities in renewable energy and alternative fuels. IndianOil aims to improve its material and resource efficiency, which in turn would improve the Company's economic and business competitiveness, besides reducing the negative impact on natural capital.

IndianOil carries out carbon and water footprint mitigation measures across its installations every year by way of reducing energy and water consumption as well as waste generation, while at the same time enhancing recycle and reuse of waste and effluent water generated from its operations.

Focus Areas

Carbon Management

- Reduce specific carbon footprint by 18% by 2019-20 as against the 2012-13 levels
- Increase the Company's renewable energy capacity to 260 MW by 2019-20
- Install solar PV systems across rooftops and vacant land of IndianOil units
- Energy audit of Company premises/buildings with an aim to reduce energy consumption by 25%
- Replace all the conventional lightings by LED lightings
- Maximise conversion of retail network to operate on solar energy
- Expand greenbelts around operating units

Water Management

- Reduce specific water footprint by 20% by 2020 as against the 2012-13 levels
- Install rain-water harvesting systems in all catchment areas and rooftops of installations

Waste Management

- Reduce, reuse and recycle waste and effluent water generated at installations
- Waste segregation at source
- Install organic waste convertors/biogas plants at Company units
- Recycle waste paper across units

Description of Capitals

Input-Output-Outcome model

Key Inputs

In 2017-18:

- Crude oil throughput of 69 MMT in 2017-18
- 2,91,235 TJ of energy consumed at refineries
- 99.44 million kl of water consumed at refineries
- Capital expenditure of ₹54.22 crore in alternative energy
- ₹112.32 crore incurred as environment expenditure

On a cumulative basis:

- 133 energy conservation projects implemented in refineries
- 202 MW of renewable power commissioned
- 9,140 fuel stations converted to operate on solar energy
- 561 rainwater harvesting systems installed

Key Outputs

- 16.71 MMT of CO_2e emissions from refineries
- Fuel savings of 63,093 SRFT through energy conservation measures, equivalent to savings of ₹149.4 crore
- 43.76 million kl of effluent water generated
- 3.26 million kl of rain-water harvested
- 337 GWh of renewable power generated, which is approximately 5% of the Company's total electricity consumption
- Fuel stations operating on solar energy together account for off-grid installed capacity of about 38 MW
- Approximately 1. 22 lakh saplings were planted in 2017-18; cumulative number is 2 million

Key Outcomes

- Achieved lowest ever Specific Energy Consumption and Energy Intensity Index of 72.61 MBN and 98.5 respectively in 2017-18
- Specific carbon emission reduction of 7.45% achieved till 2017-18 as compared to 2012-13 level
- 785 TMTCO2e of emissions avoided through environment-friendly pipeline transportation in 2017-18
- Emission reduction of 277 TMTCO_2e achieved through renewable energy generation
- 40,000 tCO_2e of carbon emissions estimated to have been sequestered per annum based on two million saplings planted
- 3.41 lakhs of LED lighting installed across locations till date
- Specific water consumption reduction of 8.61% achieved till 2017-18 compared to 2012-13 level
- 38.74 million kl, i.e., 89% of total effluent water reused/recycled
- 130 tonnes of waste paper was recycled and 338 tonnes of organic waste treated at various IndianOil installations in 2017-18

Leveraging Opportunities to be *'The Energy of India'*

The global energy sector is being reshaped by a variety of far-reaching transformations, such as population growth and rising urbanisation, fast-paced economic growth in developing nations, rising share of natural gas in the energy mix, falling costs of renewable energy and batteries, innovations in the clean energy space as well as growing concerns and actions around climate change and air quality. The transformations being driven by the market, regulatory, technological, natural and societal forces have the potential to significantly alter the future of the global energy system.

India is expected to surpass all major economies with respect to per capita energy consumption. While traditional energy forms such as coal and oil continue to cater to a large portion of this demand, India's natural gas consumption is expected to see a dramatic rise to support industrial growth. Renewable energy has a small but rapidly growing presence, and is expected to increase significantly in India's energy sector. Govt. of India has set an ambitious target of achieving an installed capacity of 175 GW powered through renewable sources of energy by 2022.

As India's flagship energy company, IndianOil is well-positioned to capitalise on the opportunities and adapting to the changes in energy landscape, while fulfilling the future energy needs of the country. This is aptly captured in IndianOil's vision to be *'The Energy of India'* and to become 'A Globally Admired Company'. As an integrated energy major with presence in almost all business verticals - Oil, Gas, Petrochemicals and alternative energy sources, IndianOil aims to leverage its capabilities to achieve this vision.

IndianOil is on its way to becoming future-ready through scaling up and globalisation of business operations across the value chain, expanding its upstream portfolio of domestic and overseas oil and gas blocks, making significant investments in natural gas infrastructure and marketing, as well as accelerating innovation in emerging fuel technologies and alternative energy sources. This vision of growth is being ably supported by the Company's significant investment and strength in R&D and Innovation as well as a highly talented and empowered work-force.

The principles of sustainable development and corporate social responsibility have always been an intricate part of IndianOil's vision and growth story. Mitigating the environmental impact of it's operations and promoting socio-economic development in neighbouring communities are an integral part of IndianOil's business strategy. Clear targets and a visionary roadmap have been adopted in these areas.

As IndianOil celebrates 2018 as the 'Year of Trust', it is the Company's growth story thus far that provides a clear reflection of the trust various stakeholders have placed on the company's potential to deliver. And it is this trust which will propel IndianOil to meet its vision of *'The Energy of India'* in the years to come.

BOARD OF DIRECTORS

1.	**Shri Sanjiv Singh**	Chairman	
2.	**Shri A.K. Sharma**	Director (Finance)	
3.	**Shri G.K.Satish**	Director (Planning & Business Development)	
4.	**Dr. S.S.V.Ramakumar**	Director (Research & Development)	
5.	**Shri B. V. Rama Gopal**	Director (Refineries)	w.e.f. 12.02.2018
6.	**Shri Ranjan Kumar Mohapatra**	Director (Human Resources)	w.e.f. 19.02.2018
7.	**Shri Ashutosh Jindal**	Government Nominee Director	
8.	**Shri Sanjay Kapoor**	Independent Director	
9.	**Shri Parindu Bhagat**	Independent Director	
10.	**Shri Vinoo Mathur**	Independent Director	w.e.f. 22.09.2017
11.	**Shri Samirendra Chatterjee**	Independent Director	w.e.f. 22.09.2017
12.	**Shri Chitta Ranjan Biswal**	Independent Director	w.e.f. 22.09.2017
13.	**Dr. Jagdish Kishwan**	Independent Director	w.e.f. 22.09.2017
14.	**Shri Sankar Chakraborti**	Independent Director	w.e.f. 22.09.2017
15.	**Shri D. S. Shekhawat**	Independent Director	w.e.f. 22.09.2017
16.	**Shri Verghese Cherian**	Director (Human Resources)	upto 31.10.2017
17.	**Shri B.S.Canth**	Director (Marketing)	upto 31.01.2018
18.	**Shri Anish Aggarwal**	Director (Pipelines)	upto 31.03.2018
19.	**Smt. Urvashi Sadhwani**	Government Nominee Director	w.e.f. 27.10.2017 & upto 10.05.2018
20.	**Dr. B. Mahadevan**	Independent Director	w.e.f. 22.09.2017 & upto 18.03.2018
21.	**Shri Vivek Rae**	Independent Director	w.e.f. 22.09.2017 & upto 03.06.2018
22.	**Ms. Sushma Taishete Rath**	Government Nominee Director	w.e.f. 11.05.2018 & upto 05.07.2018

COMPANY SECRETARY (KMP)

1.	**Shri Raju Ranganathan**	upto 31.08.2017
2.	**Shri Kamal Kumar Gwalani**	w.e.f. 01.09.2017

Core Team

Standing (from left to right):
Dr. S. S. V. Ramakumar, Director (Research & Development)
Shri Ranjan Kumar Mohapatra, Director (Human Resources)
Shri G. K. Satish, Director (Planning & Business Development)

Sitting (from left to right):
Shri Sanjiv Singh, Chairman
Shri B. V. Rama Gopal, Director (Refineries)
Shri A. K. Sharma, Director (Finance)

IndianOil

SENIOR MANAGEMENT TEAM

BK Ravi
Advisor (Security)

Vinod Kumar
Chief Vigilance Officer

TS Khwaja
Executive Director (Aviation), Marketing

Amita Singh (Ms)
Executive Director (Corporate Affairs & Pricing), Corporate Office

Kaushik Bora
Executive Director (Health, Safety & Environment), Refineries

RK Mittal
Executive Director (Shipping), Refineries

VK Shukla
Executive Director (Human Resource), Refineries

BS Giridhar
Executive Director (Health, Safety & Environment), Marketing

PK Das
Executive Director I/C (Supplies), Marketing

YK Gupta
Executive Director (Engineering & Projects), Marketing

Gurmeet Singh
Executive Director I/C (LPG), Marketing

NVN Ramsai
Executive Director (Finance), Marketing

DLN Sastri
Executive Director (International Trade), Corporate Office

Sukhendu Majumdar
Executive Director I/C (Corporate Planning & Economic Studies), Corporate Office

KL Murthy
Executive Director (Lubes), Marketing

Dipankar Ray
Executive Director (West Bengal State Office)

Murali Srinivasan
Executive Director (Maharashtra State Office)

SK Awasthi
Executive Director (Health, Safety & Environment), Corporate Office

Sajjan Kumar
Executive Director (Delhi State Office)

AK Verma
Executive Director (Petrochemicals), Corporate Office

RK Samtani
Executive Director (Maintenance & Construction), Pipelines

AK Tewari
Executive Director (Operations), Pipelines

SK Satija
Executive Director (Health, Safety & Environment), Pipelines

GS Singh
Executive Director I/C (Paradip Refinery)

Subodh Dakwale
Executive Director (Corporate Communications & Branding), Marketing

LW Khongwir
Executive Director (Mathura Refinery)

DK Sharma
Executive Director (Co-ordination), Corporate Office

Jogen Barpujari
Executive Director (Guwahati Refinery)

PK Yadav
Executive Director (Automation), Marketing

Alok Khanna
Executive Director I/C (Information Systems), Corporate Office

S Varadachari
Executive Director I/C (Karnataka State Office)

CS Shankar
Executive Director I/C (Co-ordination, Planning, Quality Control & Law), Marketing

PC Choubey
Executive Director (South Eastern Region Pipelines), Bhubaneswar

VK Misra
Executive Director (Uttar Pradesh State Office-II)

SK Sharma
Executive Director (Gas), Corporate Office

S Senthil Kumar
Executive Director (Regional Services – Southern Region)

AN Jha
Executive Director (Petrochemicals – Projects), Corporate Office

SK Jain
Executive Director (Retail Sales), Marketing

Rahul Bhardwaj
Executive Director (Telangana & Andhra Pradesh State Office)

Sunil Mathur
Executive Director (LPG), Marketing

Suresh Chopra
Executive Director (Projects), Refineries

SS Lamba
Executive Director (Gujarat State Office)

VC Sati
Executive Director (Western Region Pipelines), Gauridad

VK Raizada
Executive Director (Panipat Refinery)

Subimal Mondal
Executive Director (Human Resource & CSR), Corporate Office

Debasish Roy
Executive Director (Finance), Refineries

UP Singh
Executive Director(Institutional Business), Marketing

M Srinivas
Executive Director (IndianOil Institute of Petroleum Management)

HK Sachdev
Executive Director (Regional Services – Northern Region)

Rakesh Sehgal
Executive Director (Operations) , Marketing

KK Jain
Executive Director (Barauni Refinery)

BK Singh
Executive Director (Regional Services – Western Region)

Deepak Agarwal
Executive Director (Corporate Information Systems), Corporate Office

Gautam Ghosal
Executive Director (Human Resource), Pipelines

SK Sharma
Executive Director (Bihar State Office)

Rakesh Jain
Executive Director (Business Development), Corporate Office

DL Pramodh
Executive Director (Karnataka State Office)

Sanjay Manchanda
Executive Director (West Coast Refinery Project)

RS Dahiya
Executive Director (Anti Adulteration Cell), Corporate Office

RD Kherdekar
Executive Director (Pricing), Marketing

Sudhir Kumar
Executive Director (Gujarat Refinery)

CK Tiwari
Executive Director (Haldia Refinery)

R Sitharthan
Executive Director (Tamil Nadu State Office)

SM Vaidya
Executive Director (Operations), Refineries

HK Singh
Executive Director (Projects), Pipelines

Dr. S.K.Mazumdar
Executive Director (Refining Technology), R&D

AK Basu
Executive Director (Regional Services – Eastern Region)

Srikrishna Chervu
Executive Director (Cryogenics)

M Kali Krishna
Executive Director (Corporate Communications), Corporate Office

SK Dam
Executive Director (Co-ordination & Planning), Marketing

SK Bose
Executive Director (Human Resource Development), Corporate Office

SS John
Executive Director (Maintenance & Inspection), Refineries

Subodh Kumar
Executive Director (Alternate Energy & Sustainable Development), Corporate Office

Subrata Barma
Executive Director (IndianOil Foundation) , Corporate Office

AK Ganjoo
Executive Director (Uttar Pradesh State Office-I)

Debashis Roy
Executive Director (Exploration & Production), Corporate Office

Aarup A Bhattacharjee
Executive Director (Human Resource), Marketing

Ravindra Garg
Executive Director (Rajasthan State Office)

TDVS Gopalakrishna
Executive Director (Technical), Paradip Refinery

Partha Ghosh
Executive Director (Optimisation), Corporate Office

Mohammad Shafiq Ahmad
Executive Director (Process – Projects), Refineries

Pramod Narang
Executive Director (Construction), Pipelines

DS Nanaware
Executive Director (Southern Region Pipelines), Chennai

OP Jain
Executive Director (BD-Finance), Corporate Office

Sanjiv Sharma
Executive Director (Corporate Planning & Economic Studies), Corporate Office

Dr. Deepak Saxena Executive Director (Lube Technology), R&D

SK Gupta
Executive Director (Corporate Finance), Corporate Office

OBJECTIVES AND OBLIGATIONS

Objectives

To serve the national interests in oil and related sectors in accordance and consistent with Government policies.

To ensure maintenance of continuous and smooth supply of petroleum products by way of crude oil refining, transportation and marketing activities and to provide appropriate assistance to consumers to conserve and use petroleum products efficiently.

To enhance the country's self-sufficiency in crude oil refining and build expertise in laying of crude oil and petroleum product pipelines.

To further enhance marketing infrastructure and reseller network for providing assured service to customers throughout the country.

To create a strong research & development base in refinery processes, product formulations, pipeline transportation and alternative fuels with a view to minimising/eliminating imports and to have next generation products.

To optimise utilisation of refining capacity and maximise distillate yield and gross refining margin.

To maximise utilisation of the existing facilities for improving efficiency and increasing productivity.

To minimise fuel consumption and hydrocarbon loss in refineries and stock loss in marketing operations to effect energy conservation.

To earn a reasonable rate of return on investment.

To avail of all viable opportunities, both national and global, arising out of the Government of India's policy of liberalisation and reforms.

To achieve higher growth through mergers, acquisitions, integration and diversification by harnessing new business opportunities in oil exploration & production, petrochemicals, natural gas and downstream opportunities overseas.

To inculcate strong 'core values' among the employees and continuously update skill sets for full exploitation of the new business opportunities.

To develop operational synergies with subsidiaries and joint ventures and continuously engage across the hydrocarbon value chain for the benefit of society at large.

Obligations

Towards customers and dealers

To provide prompt, courteous and efficient service and quality products at competitive prices.

Towards suppliers

To ensure prompt dealings with integrity, impartiality and courtesy and help promote ancillary industries.

Towards employees

To develop their capabilities and facilitate their advancement through appropriate training and career planning.

To have fair dealings with recognised representatives of employees in pursuance of healthy industrial relations practices and sound personnel policies.

Towards community

To develop techno-economically viable and environment-friendly products.

To maintain the highest standards in respect of safety, environment protection and occupational health at all production units.

Towards defence services

To maintain adequate supplies to Defence and other para-military services during normal as well as emergency situations.

Financial Objectives

To earn adequate return on the capital employed and maintain a reasonable annual dividend on equity capital.

To ensure maximum economy in expenditure.

To manage and operate all facilities in an efficient manner so as to generate adequate internal resources to meet revenue cost and requirements for project investment, without budgetary support.

To develop long-term corporate plans to provide for adequate growth of the Corporation's business.

To reduce the cost of production of petroleum products by means of systematic cost control measures and thereby sustain market leadership through cost-competitiveness.

To complete all planned projects within the scheduled time and approved cost.

IndianOil Aviation: Our groundwork takes you sky high

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, Assam-786 171

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,
Distric Jagatsinghpur,
Odisha - 754141

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
IndianOil Bhavan,
139, Nungambakkam High Road,
Chennai - 600 034

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

Marketing Division:

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

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

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

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

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

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

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

STATUTORY AUDITORS
V. Sankar Aiyar & Co., Mumbai
S. K. Mehta & Co., New Delhi
C. K. Prusty & Associates, Bhubaneshwar
V. Singhi & Associates, Kolkata

BRANCH AUDITOR
Shiromany Tyagi & Co., New Delhi

COST AUDITORS
Chandra Wadhwa & Co., New Delhi
Bandyopadhyaya Bhaumik & Co., Kolkata
Mani & Co., Kolkata
R. J. Goel & Co., New Delhi
ABK & Associates, Mumbai
Vivekanandan Unni & Associates, Chennai
Chandra Wadhwa & Co., New Delhi
is the Central Cost Auditor.

SECRETARIAL AUDITOR
Dholakia & Associates, LLP, Company Secretaries, Mumbai

REGISTRAR & TRANSFER AGENTS
Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli Financial District, Nanakramguda,
Hyderabad – 500 032
Tel. Nos.: (040) 67162222
Toll Free No. : 1800 3454 001
Fax No. : (040) 23001153
E-mail Address : einward.ris@karvy.com
Website : www.karvycomputershare.com

STOCK EXCHANGES

BSE Ltd.
P.J. Towers, Dalal Street Mumbai - 400001

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 Limited
Apeejay House, 6th Floor, 3, Dinshaw Wachha Road,
Churchgate, Mumbai - 400020
Website: www.sbicaptrustee.com

GROUP COMPANIES

Name	Business
Indian Subsidiaries	
Chennai Petroleum Corporation Limited	Refining of petroleum products
Foreign Subsidiaries	
IndianOil (Mauritius) Ltd., Mauritius	Terminalling, retailing & aviation refueling
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
IOCL (USA) Inc., USA	Participation in Shale Gas Asset Project
IndOil Global B.V., Netherlands	Investment company for integrated LNG Project in Canada
IOCL Singapore Pte Ltd.	Investment Company for E&P Assets in Russia and trading operation for procurement of crude oil and import/export of petroleum products

JOINT VENTURES

Name	Business	Partners
Avi-Oil India Pvt. Ltd.	Speciality lubricants	Neden BV, Netherlands Balmer Lawrie & Co. Ltd.
Delhi Aviation Fuel Facility Private Limited	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.	- Do -	- Do -
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.
IOT Infrastructure & Energy Services Ltd.	Terminalling services	Oiltanking India GmbH, Germany
IndianOil Adani Gas Pvt. Ltd.	City Gas Distribution	Adani Gas Ltd.
IndianOil Petronas Pvt. Ltd.	Terminalling services and parallel marketing of LPG	Petronas, Malaysia
IndianOil LNG Pvt. Ltd.	Setting up of 5 MMTPA LNG Terminal at Ennore	IDFC Alternatives Ltd. ICICI Bank 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, Taiwan
Kochi Salem Pipelines Private Ltd.	Laying pipeline for transport of LPG from Kochi to Salem	Bharat Petroleum Corporation Ltd.
Lubrizol India Pvt. Ltd.	Lube Additives	Lubrizol Corp., USA
Mumbai Aviation Fuel Farm Facility Pvt. Ltd.	Setting up common user integrated viation fuel infrastructure	Bharat Petroleum Corporation Ltd. Hindustan Petroleum Corporation Ltd. Mumbai International Airport Ltd.
NPCIL – IndianOil Nuclear Energy Corporation Ltd.	For setting up nuclear power plant	Nuclear Power Corporation of India Ltd.
Petronet LNG Ltd.	LNG Imports/distribution	Bharat Petroleum Corporation Ltd. Oil and Natural Gas Corporation Ltd. GAIL (India) Ltd.
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

IndianOil

PERFORMANCE AT A GLANCE

		AS PER INDS-AS					AS PER OLD IGAAP		
		2017-18	2016-17	2017-18	2016-17	2015-16	2015-16	2014-15	2013-14
		(US $ Million)		(₹ in Crore)					
I	**FINANCIAL**								
	Revenue from operations	78,565	66,395	506,428	445,442	406,828	350,603	437,524	473,210
	Profit Before Exceptional Items, Finance Cost, Tax, Depreciation & Amortisation (EBITDA)	6,683	5,364	43,079	35,989	23,371	22,329	14,291	19,023
	Profit Before Exceptional Items, Finance Cost & Tax (EBIT)	5,587	4,437	36,012	29,766	18,552	17,476	9,762	13,263
	Profit Before Exceptional Items & Tax	5,052	3,923	32,564	26,321	15,462	14,476	6,327	8,179
	Profit Before Tax	5,052	3,923	32,564	26,321	16,826	15,840	7,995	9,926
	Profit After Tax	3,312	2,848	21,346	19,106	11,242	10,399	5,273	7,019
	Other Comprehensive Income (net of tax)	62	726	397	4,868	(6,940)			
	Total Comprehensive Income	3,373	3,573	21,743	23,974	4,302			
	Contribution to Central & State Exchequer	29,580	26,683	190,670	179,014	132,064	132,064	98,326	86,164
	Cumulative Dividend (on issued share capital)			51,109	39,940	30,714	30,714	27,315	25,713
	Value Added	8,247	6,813	53,158	45,708	31,849	31,330	23,064	27,389
	Distribution :								
	To Employees	1,564	1,449	10,079	9,719	7,114	7,637	7,105	6,619
	To Providers of Capital								
	- Finance Cost	535	514	3,448	3, 445	3,090	3,000	3,435	5,084
	- Dividend	1,471	1,572	9,479	10,545	2,867	3,399	1,602	2,112
	To Government- Income Tax & Dividend Tax	2,038	1,399	13,139	9,392	6,170	6,121	3,048	3,266
	Retained in Business								
	- Depreciation	10,96	927	7,067	6,223	4,819	4,853	4,529	5,760
	- Retained earnings	1,543	952	9,946	6,384	7,789	6,320	3,345	4,548
	What Corporation Owns								
	Net Fixed Assets	17,478	16,632	113,927	107,880	91,347	90,895	66,251	62,949
	Capital Work In Progress (CWIP)	2,201	1,656	14,348	10,738	21,025	21,022	36,324	33,879
	Investments	7,286	7,293	47,488	47,305	37,181	23,975	23,899	23,594
	Other Non Current Assets	1,385	1,231	9,029	7,987	6,900	8,375	7,835	4,711
	Other Current Assets	14,523	13,152	94,654	85,299	63,595	82,340	85,540	126,422
	Total	**42,873**	**39,964**	**279,446**	**259,209**	**220,048**	**226,607**	**219,849**	**251,555**
	What Corporation Owes								
	Equity								
	- Share Capital	1,454	731	9,479	4,739	2,370	2,428	2,428	2,428
	- Other Equity	15,448	14,645	100,692	94,990	85,765	71,521	65,542	63,564
	Total	**16,902**	**15,376**	**110,171**	**99,729**	**88,135**	**73,949**	**67,970**	**65,992**
	Borrowings	8,903	8,452	58,030	54,820	52,880	52,469	55,248	86,263
	Tax Liability (Net)	1,646	1,050	10,726	6,811	6,403	9,468	6,720	5,616
	Other Non Current Liabilities	606	632	3,949	4,101	20,543	20,038	17,472	13,802
	Other Current Liabilities	14,816	14,454	96,570	93,748	52,087	70,683	72,439	79,882
	Total	**42,873**	**39,964**	**279,446**	**259,209**	**220,048**	**226,607**	**219,849**	**251,555**
	Net worth (as per Companies Act)	**14,063**	**12,561**	**91,664**	**81,474**	**75,176**	**73,498**	**67,617**	**65,678**
	Market Capitalisation	**26,313**	**28,977**	**171,511**	**187,948**	**95,564**	**95,564**	**89,506**	**68,383**
	Enterprise Value	**35,208**	**37,421**	**229,487**	**242,715**	**148,182**	**147,771**	**144,653**	**152,814**
	Key Financial Indicators								
	Overall GRM (in $/bbl)			8.49	7.77	5.06	5.06	0.27	4.24
	Earnings Per Share*	0.35	0.30	22.52	20.16	11.86	10.71	5.43	7.23
	Cash Earnings Per Share*	0.47	0.40	29.98	26.72	16.94	15.70	10.09	13.16
	Book Value Per Share*	1.78	1.62	116.23	105.21	92.98	76.14	69.99	67.95
	Market Price Per Share (NSE)*			176.60	193.53	98.40	98.40	92.16	70.41
	Price Earning Ratio			7.84	9.60	8.30	9.19	16.97	9.74
	Dividend Payout Ratio			52%	48%	30%	33%	30%	30%
	Total Payout Ratio			63%	58%	36%	39%	37%	35%
	Retention Ratio			37%	42%	64%	61%	63%	65%

	AS PER INDS-AS					AS PER OLD IGAAP		
	2017-18	2016-17	2017-18	2016-17	2015-16	2015-16	2014-15	2013-14
Debt Equity Ratio								
- Total Debt To Equity			0.53:1	0.55:1	0.60:1	0.71:1	0.81:1	1.31:1
- Long Term Debt To Equity			0.19:1	0.25:1	0.40:1	0.47:1	0.56:1	0.57:1
Return on Average Net Worth (%)			24.66	24.39	15.12	14.74	7.91	11.09
Return on Average Capital Employed (%)			24.20	22.57	16.36	18.37	9.62	11.45
PBT/ Revenue from Operations (%)			6.43	5.91	3.80	4.13	1.45	1.73
EBITDA/ Revenue from Operations (%)			8.51	8.08	5.74	6.37	3.27	4.02

Note: Exchange rate used:-

For 2017-18 Average Rate 1 US $ = ₹ 64.46 and Closing Rate 1 US $ = ₹ 65.18 as on 31.03.2018

For 2016-17 Average Rate 1 US $ = ₹ 67.09 and Closing Rate 1 US $ = ₹ 64.86 as on 31.03.2017

* Note: Absolute figures in US$ and ₹ Adjusted for Bonus Shares (1:1 issued in March 2018 and 1:1 issued in October 2016)

1	Revenue from operations	Sales (net of discount) + Sale of Services+ other operating revenue+net claim/(surrender) of SSC+ 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
5	Borrowings (Total Debt)	Short Term Borrowing + Long Term Borrowings + Current Maturities of Long Term Debt + Interest Accured and due on Loans
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 Maturities of Long Term Debt + Interest Accured and due on Loans)
8	Enterprise Value	Market Capitalisation + Borrowings - Cash and Cash Equivalents
9	Equity	Equity Share Capital + Other Equity
10	Capital Employed	Equity+Borrowings – CWIP
11	Earnings Per Share	Profit After Tax / Weighted average number of Equity shares
12	Cash Earnings Per Share	(Profit after tax + Depreciation & Amortisation) / Weighted average number of Equity shares
13	Book Value Per Equity Share	Equity / Number of Equity Shares
14	Total Debt To Equity	Borrowings / Equity
15	Long Term Debt To Equity	(Long Term Borrowing + Current Maturities of Long Term Debt) / Equity
16	Return on Average Net Worth (%)	Profit after Tax / Net worth (as per Companies Act)
17	Return on Average Capital Employed (%)	EBIT / Average Capital Employed.
18	PBT/ Revenue from Operations (%)	Profit Before Exceptional Items & Tax / Revenue from Operations

II Operations

		2017-18	2016-17	2015-16	2014-15	2013-14
Operating Performance						
Product Sales						
Domestic						
- Petroleum Products	Million Metric Tonnes	77.133	74.110	72.603	68.467	67.136
- Gas	Million Metric Tonnes	1.904	1.920	1.929	1.805	1.935
- Petrochemicals	Million Metric Tonnes	**2.275**	2.453	2.413	2.390	1.991
- Explosives	Million Metric Tonnes	**0.177**	0.158	0.144	0.100	0.085
Total Domestic	**Million Metric Tonnes**	**81.489**	**78.641**	**77.089**	**72.762**	**71.147**
Export	Million Metric Tonnes	**7.274**	4.849	3.575	3.749	4.384
Total	**Million Metric Tonnes**	**88.763**	**83.490**	**80.664**	**76.511**	**75.531**
Refineries Throughput	**Million Metric Tonnes**	**69.001**	**65.191**	**56.694**	**53.586**	**53.126**
Pipelines Throughput	**Million Metric Tonnes**	**85.675**	**82.490**	**79.824**	**75.684**	**73.069**

III Manpower Numbers

	2017-18	2016-17	2015-16	2014-15	2013-14
	33,157	33,135	32,803	32,962	33,793

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

DIRECTORS' REPORT

Dear Members,

On behalf of the Board of Directors, it gives me immense pleasure to present the 59th Annual Report of the Corporation for the financial year ended 31st March, 2018, alongwith the Audited Standalone and Consolidated Financial Statements and Auditors' Report thereon. During the year, the Corporation continued to clock excellent performance on all operational parameters while meeting the energy needs and aspirations of the country. All the business verticals of the Corporation performed exceedingly well during the year.

PERFORMANCE REVIEW

FINANCIAL

	2017-18		2016-17	
	US$ Million	₹ in Crore	US$ Million	₹ in Crore
Revenue from Operations (Inclusive of Excise Duty & Sale of Services)	**78,565**	**5,06,428**	66,395	4,45,442
EBITDA (Profit Before Exceptional Items, Finance Cost, Tax, Depreciation & Amortisation)	**6,683**	**43,079**	5,364	35,989
Finance Cost	**535**	**3,448**	514	3,445
Depreciation	**1,096**	**7,067**	927	6,223
Profit Before Tax & Exceptional Items	**5,052**	**32,564**	3,923	26,321
Exceptional Items	**-**	**-**	-	-
Profit Before Tax	**5,052**	**32,564**	3,923	26,321
Tax Provision	**1,740**	**11,218**	1,075	7,215
Profit After Tax	**3,312**	**21,346**	2,848	19,106
Balance Brought Forward from Last Year				
Less: Appropriations				
Interim Dividend paid	**1,397**	**9,005**	1,272	8,531
Final Dividend paid	**74**	**474**	300	2,014
Corporate Dividend Tax	**298**	**1,921**	324	2,177
Insurance Reserve (Net)	**3**	**20**	3	20
Bond Redemption Reserve	**78**	**503**	69	466
CSR Reserve (Net)	**-**	**(3)**	-	(1)
General Reserve	**1,462**	**9,426**	880	5,899
Balance Carried to Next Year	**-**	**-**	-	-

SHARE VALUE

	2017-18		2016-17	
	US$	₹	US$	₹
Cash Earnings Per Share*	0.47	29.98	0.40	26.72
Earnings Per Share*	0.35	22.52	0.30	20.16
Book Value Per Share*	1.78	116.23	1.62	105.21

* Adjusted for Bonus Shares issued during 2017-18

Note: Exchange Rate used:-

For 2017-18: Average Rate 1 US$ = ₹ 64.46 and Closing Rate 1 US$ = ₹ 65.18 as on 31.03.2018

For 2016-17: Average Rate 1 US$ = ₹ 67.09 and Closing Rate 1 US$ = ₹ 64.86 as on 31.03.2017

PHYSICAL

Million Metric Tonnes

Particulars	2017-18	2016-17
Refineries Throughput	69.00	65.19
Pipelines Throughput	85.68	82.49
Product Sales (inclusive of Gas, Petrochemicals & Exports)	88.76	83.49

CHANGES IN SHARE CAPITAL

During the year, the Authorised Share Capital of the Corporation was increased from ₹ 6,000 crore to ₹ 15,000 crore. Your Corporation issued bonus shares in the ratio of 1:1, i.e., one bonus share in the ratio of one share held in March, 2018. Consequently, the paid-up capital increased from ₹ 4,855.90 crore to ₹ 9,711.81 crore.

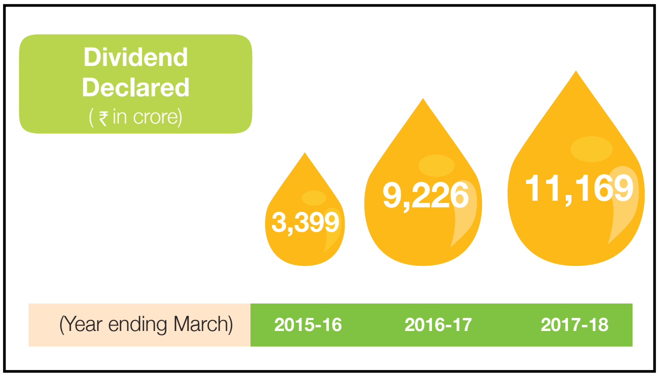
DISINVESTMENT BY THE GOVT. OF INDIA

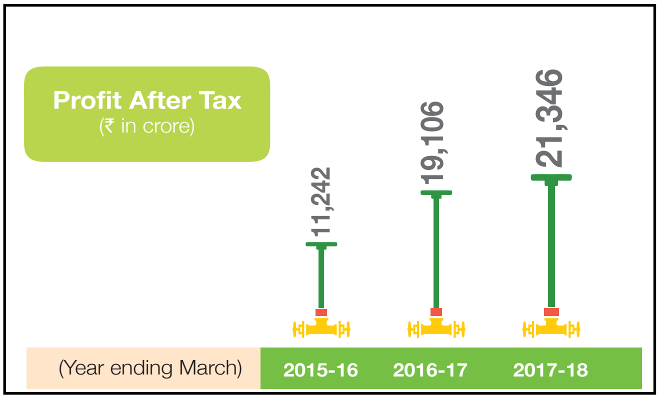
The Government of India disinvested 1,75,62,435 equity shares of the Corporation in November, 2017 in favour of BHARAT 22 ETF (an exchange traded fund comprising 22 PSU stocks). Consequently, the holding of the President of India in the equity share capital was reduced to 56.98 per cent from 57.34 per cent.

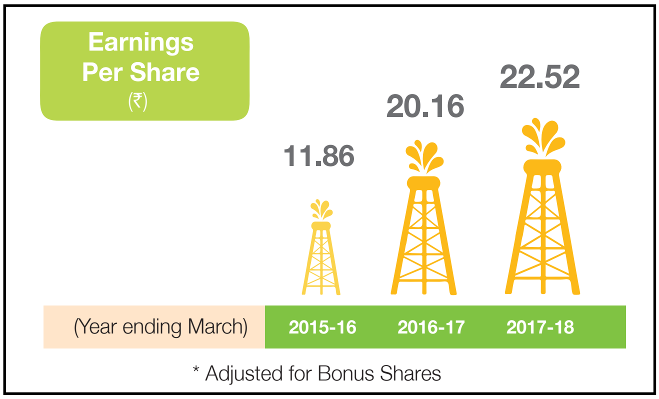
DIVIDEND

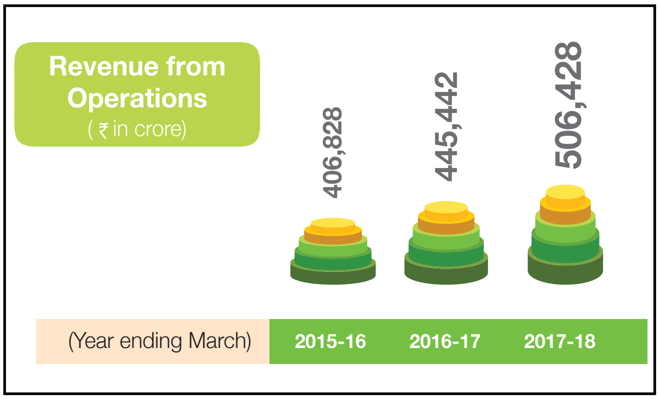
The Board of Directors of your Corporation has recommended a final dividend of 20 per cent, i.e., ₹2/- per equity share of ₹10/- each, on the post Bonus paid-up Share Capital in addition to an interim dividend of ₹19 per share on the pre-bonus paid-up Share Capital paid in February 2018. This is the 51st consecutive year for which your Corporation has recommended payment of dividend. So far, your Corporation has paid a cumulative dividend of ₹49,167 crore, excluding the final dividend of ₹1,942.36 crore recommended for the current year, subject to approval by members. The final dividend shall be paid to the members, whose names appear in the Register of Members as well as the Beneficial Ownership Position provided by NSDL/CDSL as at the close of 22nd August 2018.

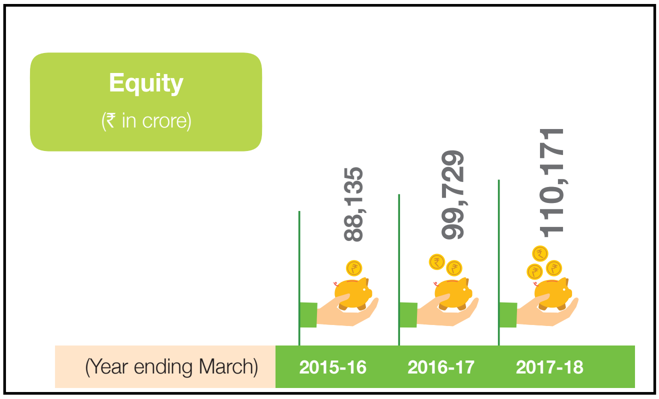
The Board of your Corporation has formulated a Dividend Distribution Policy. The Policy is annexed to the Board Report at **Annexure-I** and is also hosted on the website of the Corporation i.e. www.iocl.com.



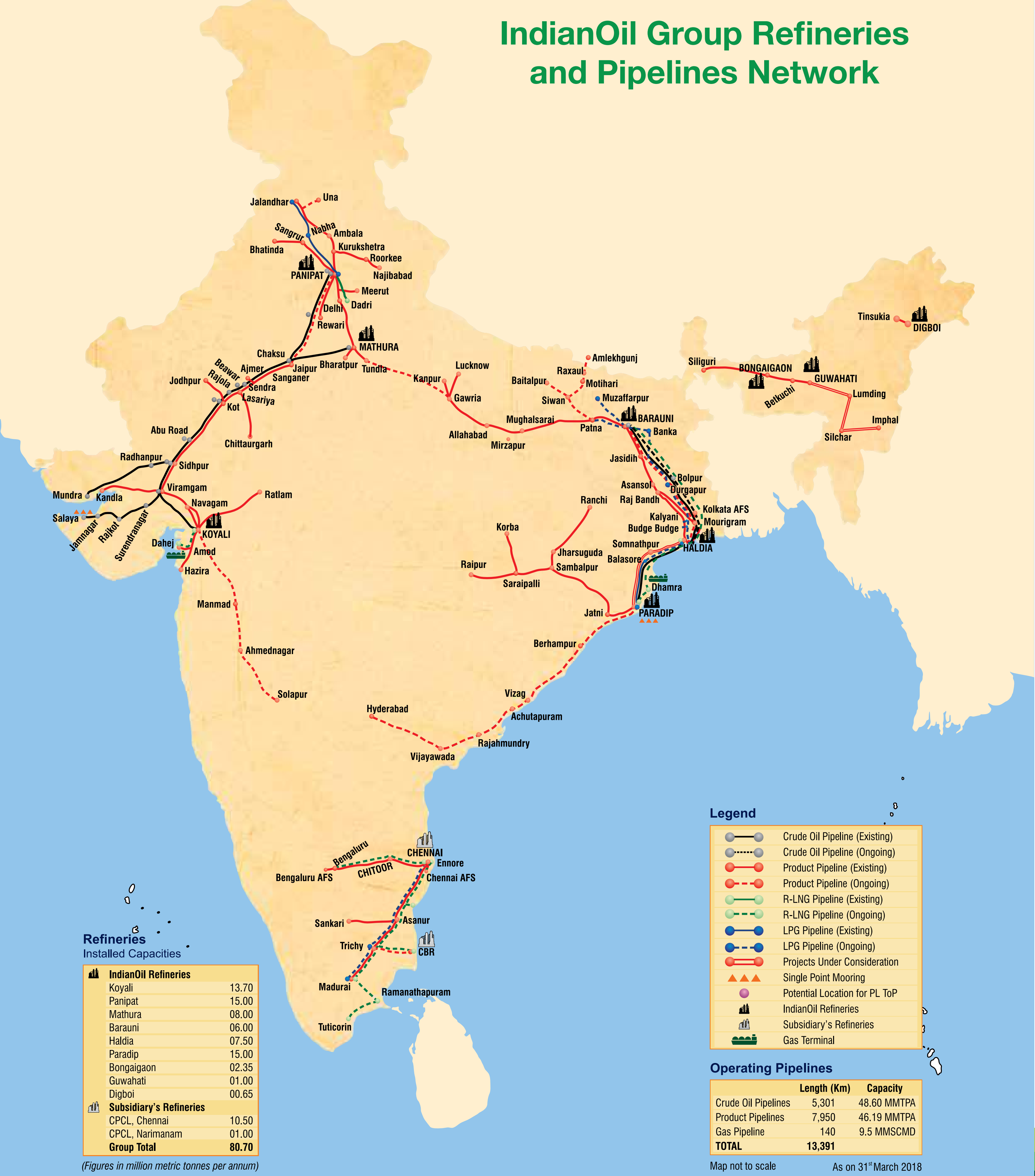








IndianOil Group Refineries and Pipelines Network



Legend

- Crude Oil Pipeline (Existing)
- Crude Oil Pipeline (Ongoing)
- Product Pipeline (Existing)
- Product Pipeline (Ongoing)
- R-LNG Pipeline (Existing)
- R-LNG Pipeline (Ongoing)
- LPG Pipeline (Existing)
- LPG Pipeline (Ongoing)
- Projects Under Consideration
- Single Point Mooring
- Potential Location for PL ToP
- IndianOil Refineries
- Subsidiary's Refineries
- Gas Terminal

Refineries
Installed Capacities

IndianOil Refineries	
Koyali	13.70
Panipat	15.00
Mathura	08.00
Barauni	06.00
Haldia	07.50
Paradip	15.00
Bongaigaon	02.35
Guwahati	01.00
Digboi	00.65
Subsidiary's Refineries	
CPCL, Chennai	10.50
CPCL, Narimanam	01.00
Group Total	**80.70**

(Figures in million metric tonnes per annum)

Operating Pipelines

	Length (Km)	Capacity
Crude Oil Pipelines	5,301	48.60 MMTPA
Product Pipelines	7,950	46.19 MMTPA
Gas Pipeline	140	9.5 MMSCMD
TOTAL	**13,391**	

Map not to scale

As on 31st March 2018

CONTRIBUTION TO EXCHEQUER

Your Corporation has consistently been the largest contributor to the Government exchequer in the form of duties and taxes. During the year 2017-18, ₹ 1,90,670 crore was paid to the exchequer as against ₹ 1,79,014 crore paid in the previous year. An amount of ₹ 1,03,362 crore was paid to the Central Exchequer and ₹ 87,308 crore to the State Exchequer as against ₹ 1,02,817 crore and ₹ 76,197 crore paid in the previous year to the Central and State Exchequer respectively.

CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	2017-18		2016-17	
	(US$ Million)	(₹ in Crore)	(US$ Million)	(₹ in Crore)
Revenue from Operations				
(Inclusive of Excise Duty & Sale of Services)	79,979	5,15,542	67,640	4,53,795
Profit Before Tax	5,344	34,450	4,167	27,956
Profit After Tax	3,510	22,626	3,038	20,385
Less: Share of Minority	68	437	80	536
Profit for the Group	3,442	22,189	2,958	19,849

Note: Exchange Rate used:-
For 2017-18: Average Rate 1 US$ = ₹ 64.46
For 2016-17: Average Rate 1 US$ = ₹ 67.09

MoU PERFORMANCE

The Memorandum of Understanding (MoU) with the Government of India setting performance parameters and targets for the year 2017-18 was signed by Chairman of the Corporation and

Cross-country network of pipelines are a major strength in sustaining IndianOil's competitive advantage as the least-cost supplier.

Secretary (P&NG), Govt. of India, on 4th July 2017. MoU targets for the Corporation continue to be more challenging and tougher over the years. However, the Corporation has been continuously striving to achieve new heights in terms of performance numbers surpassing all previous achievements.

Periodical review on the performance was carried-out throughout the year. The performance rating for 2017-18 is yet to be finalized by the Government. However, considering the performance on financial parameters as well as achievements towards physical parameters, overall MoU performance for the year is expected to be "Excellent".

INTERNATIONAL TRADE

In order to meet the crude oil requirement of its refineries, your Corporation imported 58.01 million metric tonnes of crude oil during the year, as against 55.71 million metric tonnes in the previous year. The selection of crude oil is carefully done from a diversified mix of supply sources. The import of petroleum products during the year was 6.53 million metric tonnes as against 7.21 million metric tonnes in the previous year. The Corporation also exported petroleum and petrochemical products during the year.

OPERATIONAL PERFORMANCE

Refineries

The 9 refineries of your Corporation achieved the highest ever crude throughput of 69.00 million metric tonnes during the year 2017-18 as against 65.19 million metric tonnes in 2016-17. The capacity utilisation was 99.7 per cent as against 94.2 per cent during 2016-17. The distillate yield of refineries of your Corporation improved to 80.4 per cent from 78.8 per cent achieved during the previous year. The refineries also achieved excellent energy parameters of Fuel & Loss and Specific Energy Consumption (MBN) at 8.75 per cent and 72.61 respectively, as against 9.4 and 74.9 registered during 2016-17.

The Mathura and Panipat refineries commenced BS-VI grade auto fuel supplies well in time to meet the 1st April 2018 timelines for National Capital Territory.

To boost flexibility in crude oil sourcing, the Corporation's crude oil basket was expanded with inclusion of 16 new grades, of which 11 were of US origin. Processing of cheaper, heavy & high-TAN grades was stepped up to over 21.4 per cent during the year, compared to 18.4 per cent in the previous year. Processing of high-sulphur crude oil was also higher at 55.6 per cent compared to 51.6 per cent in the previous year.

Pipelines

The cross-country network of crude oil, petroleum and gas pipelines of your Corporation has been its major strength in reaching out to new markets and customers and sustaining its competitive advantage as the least-cost supplier. The crude oil pipelines achieved a throughput of 51.08 million metric tonnes as against throughput of 51.34 million metric tonnes during the previous year. The petroleum product pipelines recorded the highest ever throughput of 34.60 million metric tonnes as against 31.15 million metric tonnes achieved last year, registering a growth of 11.06 per cent. The gas pipelines also achieved the highest ever throughput of 1,683 MMSCM during the year, as against a throughput of 1,587 MMSCM in 2016-17.

With the commissioning of 543 km of new pipeline sections during the year and augmentation of existing pipelines, the total length of the pipeline network of crude oil, product and gas pipelines as on 31st March 2018 expanded to 13,391 km with cumulative throughput capacity of 94.79 MMTPA (crude oil and product) and 9.5 MMSCMD (gas pipelines).

Marketing

Your Corporation continued to energise and empower all sections of the economy during the year and achieved highest ever sales of 77.13 million metric tonnes of petroleum products during the year, as against 74.11 million metric tonnes during the previous year. In addition, 7.18 million metric tonnes of petroleum products were exported during the current year as against 4.72 million metric tonnes exported during the previous year.

During the year, the Corporation commissioned 953 retail outlets (fuel stations, including 502 Kisan Seva Kendra outlets in rural areas) taking their total number to 27,089. The Kisan Seva Kendra (KSK) outlets of the Corporation increased their contribution to the total sales of Corporation with Petrol (Retail) touching a new high of 15.7 per cent and Diesel (Retail) touching 15.1 per cent. In addition, CNG facilities were commissioned at 100 retail outlets during the year, which increased the CNG market share by 3.29 per cent. Your Corporation continued with its focus on the use of alternate energy, and 2,533 retail outlets were converted to operate on solar energy during the year, taking their number to 9,140 outlets i.e. 34 per cent of the total number of retail outlets.

During the year, the Corporation released new domestic LPG connections to 131.7 lakh customers, out of which, 73.8 lakh connections were released under Pradhan Mantri Ujjwala Yojana (PMUY), the flagship scheme of the Government of India, to the women of poor households with an objective to improve the health of poor families by providing clean cooking fuel. The Corporation achieved an all-time high LPG sales of more than 10.8 MMT and bottling capacity was augmented by 540 TMTPA to meet the increased demand of LPG.

In the Lubricants segment, *SERVO* maintained its market leadership position during the year and registered positive growth across all segments of finished lubricants.

IndianOil spent over ₹ 20,000 crore on capital projects during the year.

PROJECTS

Your Corporation recognises the importance of infrastructure development and has been consistently investing in several projects across the country. The project teams across the divisions in the Corporation ensure that the projects are implemented seamlessly. The projects are financed through an optimum mix of internal accruals and borrowings from domestic as well as international markets whenever required. During the year, the Corporation spent over ₹ 20,000 Crore on capital projects including ₹ 3,275 crore through Special Purpose Vehicle. Despite the significant capital expenditure, the overall borrowings of the Corporation increased only by ₹ 3,210 crore as most of the Capex requirement was met through internal accruals.

The details of the projects completed, ongoing and future are as under:-

Completed Projects

- Phase-I of BS-IV fuel quality upgradation projects at Barauni and Gujarat Refineries
- 1.3 MMTPA Petcoke evacuation facility at Paradip Refinery
- Feed Preparation Unit at Haldia Refinery
- Jharsuguda-Khunti section of Paradip-Raipur-Ranchi product pipeline
- 157 km of Paradip-Balasore section of Paradip-Haldia-Durgapur LPG Pipeline

Ongoing Projects

- Distillate yield improvement project at Haldia Refinery
- Propylene Unit at Paradip Refinery
- Phase-2 of BS-IV Fuel Quality Upgradation Projects at Barauni and Gujarat refineries
- BS-VI projects at all refineries
- Installation of INDMAX Unit alongwith associated facilities at Bongaigaon Refinery
- Infrastructure facilities at Gujarat Refinery and Dumad for Koyali-Ahmednagar-Solapur pipeline
- Infrastructure development for grid power import at 220 KV at Gujarat, Mathura and Barauni refineries
- 7 Nos. additional crude oil tanks at Paradip
- Paradip-Haldia-Durgapur LPG pipeline
- Paradip-Hyderabad pipeline
- Augmentation of Paradip-Haldia-Durgapur LPG pipeline and its extension up to Patna and Muzaffarpur
- Jaipur-Panipat naphtha pipeline, along with augmentation of Koyali-Sanganer pipeline
- CBR-Trichy pipeline
- Ennore-Trichy-Madurai LPG pipeline
- Ennore-Nagapattinam-Tuticorin-Madurai-Bengaluru natural gas pipeline
- 30″ Crude Oil Pipeline in Haldia-Barauni section of Paradip-Haldia-Barauni Pipeline and conversion of existing 18″ twin pipeline in Haldia-Barauni section to product and gas pipeline.
- Branch pipeline on Barauni-Kanpur pipeline to Baitalpur and Motihari
- Motihari-Amlekhgunj pipeline
- Koyali-Ahmednagar-Solapur pipeline
- Augmentation of Chennai-Trichy-Madurai pipeline
- Dhamra-Haldia Refinery Gas Pipeline with spurline to Paradip Refinery.
- Tundla-Gawria Pipeline with augmentation of Mathura-Tundla Pipeline
- Dahej-Koyali Natural Gas Pipeline
- LPG import terminal at Paradip and Kochi
- Augmentation of LPG terminal at Kandla from 0.6 MMTPA to 2.5 MMTPA
- LPG bottling plants at Banka, Gorakhpur, Bathinda, Goindwal Sahib, Agartala, Mandla, Nagpur, Salem, Gwalior, Sitarganj, Trishundi, Korba Khurda, Shillong, Kharagpur and Jodhpur.
- Product storage depots at Una (H.P.), Guntakal (A.P.) and Asanur (T.N.)
- 5-MMTPA LNG import terminal project at Ennore (through a Joint Venture Company)
- Ethylene Glycol Project at Paradip

Future Projects

- Barauni Refinery expansion to 9 MMTPA
- Expansion of PX/PTA Plant at Panipat Refinery
- Installation of Indjet Unit at Barauni Refinery
- Residue Upgradation and quality improvement project at Mathura Refinery
- Panipat Refinery Expansion from 15 MMTPA to 25 MMTPA
- Acrylics / Oxo Alcohol Project at Dumad, Gujarat
- Gujarat Refinery Expansion to 18 MMTPA
- Catalytic Reforming Unit at Guwahati Refinery
- Catalytic De-Waxing Unit (2nd chain) at Haldia Refinery
- LAB Expansion at Gujarat Refinery
- PX/PTA Project at Paradip
- 3G Ethanol from off-gas at Panipat Refinery
- Expansion of Naphtha Cracker and revamp of MEG at Panipat
- 2G Ethanol Project at Panipat
- Guwahati-Silchar-Imphal product pipeline
- Paradip-Somnathpur-Haldia Pipeline
- Kandla-Gorakhpur LPG Pipeline through a Joint Venture Company.
- 60 MMTPA West Coast Refinery in Maharashtra through a Joint Venture Company.

37 new lube grades were introduced during 2017-18 and 34 product approvals were obtained from Original Equipment Manufacturers (OEMs). In the overseas markets also, *SERVO* registered excellent performance with a growth of 18 per cent. *SERVO* now has a global presence in 30 international markets.

The Aviation Service of the Corporation continued to maintain its leadership position during the year and improved its market share to 61 per cent. During the year, your Corporation commissioned its aviation fuel stations at Puducherry, Kadappa and Shillong.

Explosives & Cryogenics

During the year, the Explosives and Cryogenics businesses of your Corporation continued with excellent performance and recorded the highest ever production and sales of explosives

Business Group (Cryogenics) of IndianOil is a leading manufacturer with facilities for production of state-of-the-art vacuum super insulated cryogenic storage vessels

and cryocans. The Explosives group manufactured and sold 1,76,757 metric tonnes of explosives during the year, recording a growth of 12 per cent over the previous year's volume of 1,57,661 metric tonnes. The Cryogenics group sold 28,782 units of cryocans and cryovessels during 2017-18, as against previous year's sale of 27,694 units of cryocans and cryovessels.

RESEARCH & DEVELOPMENT

The year was marked by deployment of major technologies developed by R&D Centre at the Corporation's refineries. An Octamax unit was commissioned at Mathura Refinery to produce high-octane fuel for BS-VI gasoline pool. The unit is a true amplification of the 'Make in India' drive as the technology was conceptualised, engineered and executed by R&D team and Mathura Refinery. The DHDT Unit at Gujarat Refinery based on indDiesel technology developed by R&D centre was implemented during the year. The unit produces Diesel meeting BS-VI norms for Sulphur. The flagship innovation of R&D centre, INDMAX was adjudged winner in 22nd World Petroleum Congress in Turkey.

The R&D Centre filed for 82 patents and was granted 54 patents (14 Indian and 40 overseas) during the year. Your Corporation now has 611 active patents in its kitty.

IndianOil R&D is extending its facilities at an estimated outlay of ₹ 2500 crore to house exclusive scale-up/demo facilities of in-house technologies

India's quest for clean energy solutions crossed an important milestone with the commencement of demonstration trials on the country's first fuel cell-powered bus at the R&D Centre. Your Corporation has also acquired minority stake (4 per cent) in the LanzaTech New Zealand Limited for US$ 20 million through its wholly owned subsidiary in Singapore. LanzaTech, a company registered in New Zealand, is the global leader in bio-based gas fermentation technology and the company provides novel and economic technologies for production of ethanol and other high value chemicals from industrial off-gases of steel mills, petroleum refineries etc.

BUSINESS DEVELOPMENT

In order to achieve its vision of becoming *'The Energy of India'*, your Corporation has been expanding its business beyond

IndianOil commissioned CNG fuelling facilities at 100 retail outlets during 2017-18 and became the No. 1 CNG company among the PSU OMCs.

petroleum refining and marketing. In this context, the verticals of Petrochemicals, Natural Gas, Exploration & Production, Alternative Energy and International Business are emerging as integral business drivers of the Corporation in integrating and diversifying its business. Moreover, the portfolio of the Corporation in these sectors has proved to be immensely beneficial with the profits from these sectors offsetting the volatility from the Corporation's refining and marketing Business areas.

Petrochemicals

During the year 2017-18, the Corporation recorded petrochemicals sales (domestic and exports) of 2.37 MMT as against 2.58 MMT in 2016-17. The sales volumes were lower mainly due to shutdown of plants that restricted the production and resultantly the sales.

The Corporation's *PROPEL* brand of petrochemicals is the second largest in the Indian petrochemicals market. The Corporation's offerings include Polymers, Linear Alkyl Benzene, Paraxylene / Purified Terephthalic Acid, Glycols and Butadiene. The Corporation is a major supplier of Polymer products to leading multinationals. During the year, 30 new Original Equipment Manufacturers approvals were obtained and 3 new grades were rolled out. The global reach of *PROPEL* brand increased further, with its exports now reaching 75 countries. During the year, *PROPEL* was recognised by The Economic Times in the Best Plastics & Polymers Brands 2018 as a "Symbol of Excellence in Plastics & Polymers Industry".

Natural Gas

The Corporation is investing across the Natural Gas value chain in the country and is committed to enhancing availability through expansion of infrastructure of Natural Gas in the country. During the year, the overall Regasified Liquefied Natural Gas (R-LNG) sales of the Corporation was 1.89 MMT. The Corporation now has 58 R-LNG customers. In addition, 1.98 MMT of R-LNG was internally consumed in three of the Corporation's refineries, viz. Panipat, Mathura and Gujarat while its Digboi Refinery consumed 0.06 MMT of domestic gas.

Globally, the interest in usage of LNG as a transportation fuel is on the rise. The Corporation has also been the pioneer in India in supplying LNG to customers not located on the pipeline network through its 'LNG at Doorstep' service. During the year, sale of LNG through this model grew by 17.3 per cent over the previous year.

The Corporation imported 17 cargoes (1.13 MMT) of LNG during the year, against 11 cargoes (0.71 MMT) in the previous year. The Corporation has so far signed 22 Master Sales & Purchase Agreements (MSPAs) with various international suppliers for purchase of LNG on Spot/Short term basis of which 9 MSPAs were signed during the year.

The Corporation through its Joint Venture Company (JVC), IndianOil LNG Pvt. Ltd. (IOLPL) is setting up a 5 MMTPA LNG Terminal at Kamarajar Port, Ennore in Tamil Nadu, which will be the first LNG Terminal on the East Coast. The LNG Terminal is scheduled to be commissioned in 2018-19.

The Corporation is operating/implementing City Gas Distribution (CGD) network in 9 Geographical Areas (GAs) through its two JVCs viz. Green Gas Ltd. (GGL) in Lucknow & Agra and IndianOil-Adani Gas Pvt. Ltd. (IOAGPL) in Allahabad, Chandigarh, Panipat, Daman, Ernakulam, Udham Singh Nagar & Dharwad. IOAGPL participated in 8th Round of CGD Bidding invited by the Petroleum & Natural Gas Regulatory Board and emerged as winner for South Goa and Bulandshahar GAs.

Technology at the core of IndianOil's operations

The Corporation is involved in developing three natural gas pipelines viz. Mallavaram-Bhopal-Bhilwara-Vijaipur Pipeline through the JVC GSPL India Transco Ltd. and Mehsana-Bhatinda Pipeline & Bhatinda-Jammu Pipeline through the JVC GSPL India Gasnet Ltd.

Exploration & Production

The Corporation is engaged in upstream (Exploration & Production) activities through its joint operations, joint ventures and wholly owned subsidiaries (WoS). The upstream portfolio of the Corporation consists of 19 assets (9 domestic and 10 overseas) with active Participating Interests (PI) ranging from 3 to 100 per cent. Out of 19 assets, the Corporation has 8 Producing (7 overseas & 1 domestic), 3 domestic Discovered Small Fields, 2 Coal Bed Methane, 1 overseas under Development, 2 domestic Exploration with discoveries under appraisal and 3 under Exploration (2 overseas & 1 domestic) assets.

During the year, Hydrocarbon production increased by 66 per cent over last year from 1.61 MMT to 2.67 MMT from 6 overseas producing assets viz. Lower Zakum (UAE), Taas (Russia), Vankor (Russia), Niobrara Shale Oil (USA), Pacific Northwest (Canada), Carabobo (Venezuela) and one domestic producing asset i.e. Dirok (Assam, India).

A major highlight during the year was acquisition of new blocks overseas. The Corporation acquired acquired 3 per cent PI in Lower Zakum, Offshore Abu Dhabi (UAE) through a consortium with ONGC Videsh Ltd. and Bharat PetroResources Ltd. In addition to this, the Corporation acquired 17 per cent PI in Mukhaizna Oil Field, a producing field in Oman in April, 2018 resulting in an increase of its production profile by 20,400 boe/day.

A major milestone for the Corporation was the beginning of production of gas and condensate from its Pre-NELP asset AAP-

In 2017-18, IndianOil became the producer of gas and condensate from a Pre-NELP Assam oilfield.

ON-94/1 (Dirok Field) in August 2017. This marked the advent of its first domestic exploration asset maturing from exploration stage to a producing asset. The Corporation has 29.03 per cent PI in this asset.

Alternative Energy

The Corporation has a portfolio of 168 MW wind power and 34 MW solar PV, which includes 17.5 MW grid connected solar PV and 16.5 MW off-grid solar projects (as on 31.03.2018). The renewable power generated from the wind and solar projects was 337 GWh, which corresponds to an emission reduction of 277 TMTCO$_2$e (thousand metric tonnes carbon dioxide equivalent). During the year, 14 MW of solar PV capacity was installed and, work is in progress for installation of another 13 MW at various units of the Corporation.

The Corporation has also been selling solar lanterns as an energy access solution. During the year, around 14,000 solar lanterns were sold through its LPG network. Cumulatively, over 4.1 lakh solar lanterns have been sold by the Corporation.

The Corporation is setting-up three 2nd Generation Ethanol production plants at Panipat (Haryana), Gorakhpur (UP) and Dahej (Gujarat) of 100 KL per day capacity each.

Under the aegis of *Swachh Bharat* Mission of the Govt. of India, two waste-to-energy plants of 5 tons per day capacity each were commissioned in Varanasi by the Corporation. The plants process

The total installed renewable energy capacity of IndianOil is 202 MW.

organic Municipal Solid Waste and produce Biogas and Compost. The electricity produced from the generated Biogas is being used to energise street lights in the vicinity of each plant.

Sustainable Development

Your Corporation is deeply committed to the ethos of Sustainable Business. It has been publishing Annual Sustainability Report since 2005-06. During the year, the Corporation completed carbon and water foot-printing of all its refineries, pipelines & marketing installations, and its IndianOil Institute of Petroleum Management, Gurgaon, and the R&D Centre. The Corporation is replacing all the conventional lighting with LED lights across all its installations. Cumulatively, 3.4 lakh conventional lighting has been replaced with LED. During the year, 1.22 lakh trees were planted at various locations and units of the Corporation. Waste paper recycling is another major initiative of the Corporation and during the year 130 tonnes of waste paper was recycled, which includes selling of waste paper to designated recyclers. The Corporation has installed 561 rainwater harvesting systems and cumulatively the systems have harvested 3.26 billion litres of water during 2017-18.

Overseas Business Development

The Corporation has been constantly exploring various overseas downstream opportunities with special focus on the neighbouring countries. During the year, the Corporation opened offices in Dhaka, Bangladesh and Yangon, Myanmar. During the year, six export consignments totalling 123 TMT consisting ATF, MS and HSD were supplied to neighbouring countries.

INFORMATION SYSTEMS & OPTIMISATION

The year witnessed a lot of activity in the area of cyber security both in the Corporation and the cyber world with two major ransomware attacks globally, which affected India also. However, there was no impact on the Corporation. Cyber Security Audit of select locations was conducted to identify potential vulnerabilities and appropriate mitigation steps were taken to strengthen the security wherever vulnerabilities were found. A Centralized Security Operation Center (SOC) was commissioned in which the security devices across the Corporation are now monitored centrally.

During the year, the customer-facing ePIC portal, first step towards delivering a next-generation customer experience was launched. Customers, who require service or support across any line of business of the Corporation, will have a single platform to voice their issues, which would be appropriately routed to the concerned person in a Centralised Grievance System, with a proper escalation matrix in place.

GST was successfully implemented in the Corporation on 1st July, 2017. The first invoice from SAP was generated on time and your Corporation was first among Oil Marketing Companies to roll out GST. During the year, *Indane* refill booking facility was enabled through Facebook and Twitter in addition to other existing channels.

The Optimisation group in the Corporation carries out detailed analysis of demand forecast for purchase of suitable crude oil cargoes through term contracts or spot purchases, logistics arrangements, export of products, etc., to maintain supply of products across the country as well as to optimise corporate profitability. During the year, based on evaluation of crudes, 12.1 MMT of cheaper opportunity crudes were procured and for the first time ever, 6.6 million barrels of US crude was also imported. The Optimisation group also plays an important role in evaluation of projects by carrying out a detailed analysis of supply & demand.

HEALTH, SAFETY & ENVIRONMENT (HSE)

Your Corporation is committed to conduct business with a strong environment conscience, ensuring sustainable development, safe workplaces and enrichment of the quality of life of its employees, customers and the community at large. All refineries of your Corporation are certified to ISO:14064 standards for sustainable development as well as for the Occupational Health & Safety Management System (OHSMS/OHSAS-18001), besides having fully equipped occupational health centres. Compliance with safety systems and procedures and environmental laws is monitored at the unit, division and corporate levels. The HSE activities of the Corporation are reviewed in Board meeting. During the year, safety audits were carried out at various offices and locations and various training programmes were also conducted across the Corporation covering safety-related topics.

IndianOil is committed to safe workplaces. Safety Audits are conducted routinely to sensitise its workforce.

ENERGY CONSERVATION

Energy conservation is important key parameter in refining business and high importance is accorded for the same at all the refineries and units of your Corporation. The performance of various units is continuously monitored and efforts are made to keep abreast of the latest technological developments and global best practices. As a result of various energy conservation measures undertaken, the energy performance parameter (indexed to the complexity of operations) in terms of MBN* of the refineries of your Corporation during the year is down to 72.61, which is the best ever achieved, as against the energy index of 81.9 in the previous year. The energy conservation schemes implemented during the year in various refineries resulted in an estimated fuel savings of 63,093 MT Standard Refinery Fuel (SRF) in the year, valued at about ₹ 149.4 crore. Under pipeline operations, various initiatives were taken during 2017-18, which resulted in improvement of Specific Range Consumption of Pipelines by 18.44 per cent.

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

HUMAN RESOURCES

Your Corporation has a strong and dedicated workforce as on 31st March 2018 of 33,157 consisting of 17,123 executives and 16,034 non-executives. This included 2,770 women employees comprising 8.36 per cent of the total workforce.

Your Corporation diligently follows the Presidential directives and guidelines issued by the Government of India regarding reservation in services for SC/ ST/ OBC/ PWD (Persons with Disabilities)/ Ex-servicemen to promote inclusive growth. Rosters are maintained as per the directives and are regularly inspected by the Liaison Officer(s) of the Corporation 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. Efforts are made to promptly dispose of representations/grievances received from them. In accordance with the Presidential Directive, the details of representation of SC/ ST/OBC in the prescribed format are attached at **Annexure-II** to the Report.

During the year, the Corporation received Presidential Directives issued by the Ministry of Petroleum & Natural Gas for implementation of revision of pay and various allowances payable to the Board level executives and below Board level Executives of the Corporation. The Corporation is in the process of implementation of the directives received in a phased manner.

The provisions of 4 per cent reservation for Persons with Disabilities in line with guidelines/instructions issued by the Government of India are implemented by the Corporation. Necessary concessions/relaxations in accordance with the rules in this regard are also extended to physically challenged persons

IndianOil: Adjudged as the Best PSU to work for by the Great Place to Work Institute

in recruitment. The number of employees with disabilities as on 31st March 2018 was 611 constituting 1.84 per cent of the total employee strength.

Your Corporation maintained cordial industrial relations during the year, and continued to provide 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. Your Corporation supports the participative culture in the management of the enterprise and has adopted a consultative approach with the collectives, establishing a harmonious relationship for industrial peace thereby leading to higher productivity. Employees' participation is ensured through information-sharing with collectives and employees on a regular basis while seeking their support, suggestions and cooperation. The efforts to promote employees' participation in management were continued during the year through Suggestions Scheme, Total Productivity Maintenance (TPM) and various employee engagement initiatives.

Your Corporation has initiated steps towards formulation of an Employee Value Proposition (EVP) with an objective of establishing and promoting the Corporation's Employee Brand amongst the potential employees. An EVP is a unique set of benefits, which employees receive in return for skills, capabilities and experience they bring to a Company. While addressing the basic question "Why should I work for you", it enables a firm to position itself as employer of choice and thus, attract best talent besides providing a reason to the existing employees for working with an organisation. During an experiential workshop facilitated by XLRI Jamshedpur, a taskforce of 25 officers framed few EVP statements. These statements are being tested externally with students of B-schools and engineering institutes as potential employees; and internally within the Corporation to validate their relevance and attractiveness after which a structured EVP will be finalised.

Your Corporation emerged as one of the best employers in India and first amongst the Public Sector Undertakings in the Great Place to Work assessment conducted by the Great Place to Work Institute, in association with the Economic Times. IndianOil YuvaUrja, a platform for connecting with Gen Y/Millennials and sharing information on your Corporation's employee-friendly policies has been developed to connect with both potential employees and the executives joining your Corporation.

1145 Executives were recruited during 2017-18 from various reputed institutes and through all India open recruitment exercise. IndianOil has a well defined Common Corporate Induction Module (CCIM), a specially designed and standardised program to facilitate the transition of these young executives from academic life to professional life. To ensure that they get integrated in the organization, all the new executives are provided with Divisional Induction Module, followed by 'On-the-Job' training. The Induction Modules are tailor-made for Divisions to provide a holistic overview of the working of respective Divisions. Each executive is provided with a mentor within the first week of joining at their respective locations as part of IndianOil Mentoring Programme – "*Gurumitra*".

Your Corporation has a structured succession planning framework linked to the leadership development system for developing leaders at all levels from within. Besides regular developmental interventions, your Corporation's flagship Leadership Competency Development Programme for executives - *"Saksham"* is a progressive step towards 'need-based' development of leadership competencies – Strategic, Operational, Business Results, Customer,

An equal opportunity employer, IndianOil has 8.36% women in its workforce.

Talent, Content, Change and Relationship. The modules under Project "SAKSHAM" have been developed and being delivered by the best B-Schools in the country, viz. IIMs – Ahmedabad, Bangalore, Calcutta and XLRI Jamshedpur.

The scope of Project *Saksham,* which was earlier focused on officers transitioning from Middle to Senior Management (Grade F, G and H), was expanded during 2017-18 to include officers undergoing transition from Junior to Middle Management (Grade D & E). In 2017-18, nearly 400 executives in Grades F, G & H and nearly 250 executives in Grades D & E were covered under this programme. To meet the increased coverage, IndianOil tied up with other IIMs - Lucknow, Indore, Kozhikode and Shillong.

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

RIGHT TO INFORMATION ACT (RTI)

Your Corporation has put in place an elaborate mechanism across the organisation to deal with matters related to Right to Information Act, 2005 since its inception. The Corporation has designated one Nodal Officer based at Corporate Office and 34 First Appellate Authorities (FAAs), 45 Central Public Information Officers (CPIOs) and 45 Assistant Public Information Officers (APIOs). The details of all the designated officials, 3rd party audit reports etc. are hosted on the website of the Corporation.

Your Corporation has aligned with the online RTI portal launched by DoPT and all the applications / appeals received through the portal have been disposed off through the portal only. The Quarterly Reports / Annual Reports have been submitted through online portal of Central Information Commission – www.cic.gov.in within the prescribed time limit. A total of 7331 requests and 851 first appeals were received during the year and all have been disposed off within the stipulated time. 239 second appeals were filed before the Central Information Commission, New Delhi and all have been disposed off after due follow-up without any adverse remarks from the Hon'ble Commission.

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 Corporation with the clear objective of providing protection to women against sexual harassment at the workplace and for prevention and redressal of complaints. Internal Complaints Committees have been set up at Unit/Region/Head Office level, headed by senior level women executives, to deal with sexual harassment complaints, if any, and conduct enquiries.

There were six complaints of sexual harassment, which were pending as on 1st April, 2017. During the year 2017-18, one complaint was received and four complaints were disposed off. As on 31st March, 2018, three complaints are pending.

Regular workshops are held especially for women employees with an objective to bring awareness about their rights and facilities at workplace and emphasizing the provisions of the Act. During the year, 65 workshops/awareness programmes were conducted. Gender sensitization programmes, sensitizing the male employees, are also being conducted regularly. Newly recruited employees in the Corporation are made aware of the provisions of the Act and the measures adopted by the Corporation to prevent such incidents.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Corporation has utilized 100% of the CSR Budget allocated for the year 2017-18, amounting to ₹ 331.05 crore. This gratifying achievement exemplifies your Corporation's unstinted commitment to serve the society, which has been an integral philosophy of conducting its business operations since inception.

In addition to serving the Nation through thousands of marketing and operation touch-points across the country, your Corporation, through its CSR outreach, has touched hearts and souls of millions of under-privileged citizens with care and passion, the key values, which your Corporation actively nurtures and espouses.

During 2017-18, your Corporation reached out to a large number of beneficiaries through a variety of CSR initiatives. Under its flagship healthcare initiatives viz. Swarna Jayanti Samudayik Hospital, Mathura

IndianOilPeople lay emphasis on safety, security and maintenance of the highest levels of integrity.

(Uttar Pradesh); AOD Hospital, Digboi (Assam); Sarve Santu Niramaya, Digboi (Assam); your Corporation treated more than 76,100 patients. Assistive devices were provided to 900 Divyangjans across 4 States and about 23,400 animals were given various healthcare treatments for their well being. Under various Skilling initiatives across India viz. Skill Development Institute, Bhubaneswar (Odisha); Multi-Skill Development Institute, Digboi (Assam); Skill Development Centre, Barauni (Bihar) etc., 1,200 beneficiaries were skilled in various trades. Through projects like IndianOil Gyanodaya, scholarships were provided to more than 6,100 students across India. For meeting basic livelihood needs viz. drinking water and electricity, IndianOil Jal-Jeevan projects were rolled out in 30 villages and IndianOil Surya-Prakash (solar) projects were implemented in 25 villages.

As a progressive step towards strengthening Industry-Academia partnership, Institute of Chemical Technology (ICT) Mumbai and IndianOil have agreed to jointly start an Integrated Masters programme in Chemical Engineering (5-years), with a strong emphasis on industry internship. ICT Mumbai – IndianOil Odisha Campus (ICTM-IOC), Bhubaneswar will also offer Executive M.Tech. in Chemical Engineering and Ph. D. Programmes under UGC/Industry fellowships.

The Hon'ble President of India inaugurated Institute of Chemical Technology Mumbai - IndianOil Odisha Campus, Bhubaneswar and laid the foundation stone of the main campus of Skill Development Institute, Bhubaneswar on 18th March, 2018.

A report on your Corporation's CSR activities as per the provisions of the Companies Act, 2013 along with the CSR Highlights for FY 2017-18 is attached at **Annexure-III** to the report. The composition of the CSR Committee is provided in the Corporate Governance Report. The CSR Policy of the Corporation can be accessed at the website of the Corporation on the link https://iocl.com/aboutus/Ioc_S&CSR_policy.pdf

VIGILANCE

The Vigilance department acts as a link between the organisation and Chief Vigilance Commissioner. The objective of the vigilance function is to ensure maintenance of the highest level of integrity throughout the Corporation. The Vigilance group takes preventive, punitive and participative steps, with emphasis on the preventive and participative aspects. During the year, 94 vigilance awareness programmes were conducted, which were attended by about 2,300 employees.

Disciplinary action under applicable Conduct, Discipline and Appeal Rules, 1980 and Certified Standing Orders were taken by the Corporation for irregularities/lapses. The number of disciplinary matters related to vigilance cases disposed off during the year 2017-18 was 57. The number of such cases pending at the end of year 2017-18 was 35. The aforesaid cases pertain to irregularities such as indiscipline, dishonesty, negligence in performance of duty or neglect of work etc. The Corporation continuously and regularly endeavours to ensure fair and transparent transactions through technology interventions and system/process review in consultation with Central Vigilance Commission and Internal Vigilance set-up.

PUBLIC DEPOSIT SCHEME

The Public Deposit Scheme of the Corporation was closed with effect from 31st August, 2009. The Corporation has not invited any deposits from the public during the year and no deposits are outstanding as on 31st March, 2018 except the old cases amounting to ₹ 55,000/-, which remain unpaid due to unsettled legal / court cases.

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report highlighting the endeavours of your Corporation in ensuring transparency, integrity and accountability in its functioning has been incorporated as a separate section, forming a part of the Annual Report.

MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

The Management's Discussion & 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 REPORT

The Business Responsibility Report covering initiatives taken with environmental, social and governance perspective has been prepared in accordance with the directives of SEBI and forms a part of the Annual Report.

AUDIT COMMITTEE

The Audit Committee of your Corporation comprises three members, all of whom are Independent Directors. The recommendations made by the Audit Committee during the year were accepted by the Board. The other details of the Audit Committee, like its composition, terms of reference, meetings held, etc., are provided in the Corporate Governance Report.

CODE OF CONDUCT

The Board of your Corporation has enunciated a code of conduct for the Directors and senior management personnel, which has been circulated to all concerned and has also been hosted on the Corporation's website. The Directors and senior management personnel have affirmed compliance with the code of conduct.

RISK MANAGEMENT

Your Corporation has a well laid-down risk assessment & management process. A Risk Management Compliance Board comprising senior management personnel and headed by Chief Risk Officer reviews the various risks associated with the Corporation's business. The Corporation has constituted a Risk Management Committee comprising whole-time Directors, which oversees risk management activities. A report is, thereafter, put up to the Audit Committee and the Board.

INTERNAL FINANCIAL CONTROLS

Your Corporation has put in place adequate internal financial controls for ensuring the efficient conduct of its business in adherence with laid-down 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, which is commensurate with the operations of the Corporation. The Corporation also has a separate Internal Audit department headed

IndianOil has stringent internal controls for efficient conduct of its business.

by a Chief General Manager, who directly 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 of the Corporation under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act 2013. The report issued thereupon has been attached alongwith the Standalone and Consolidated Financial Statements respectively.

REMUNERATION TO THE AUDITORS

The Office of the Comptroller & Auditor General of India had appointed the Statutory Auditors for the financial year 2017-18. The Auditors' remuneration for the year 2017-18 has been fixed at ₹ 145 lakhs plus applicable taxes. In addition, reasonable out-of-pocket expenses incurred are also reimbursed at actuals.

COST AUDIT REPORT

Cost Auditors were appointed for conducting the cost audit of the Corporation's refineries, lube blending plants and other units for the year 2017-18. A remuneration of ₹ 18.50 lakhs and applicable taxes had been fixed by the Board for payment to the cost auditors for the year 2017-18, which was ratified by the shareholders in the last AGM. The cost audit for the year 2016-17 was carried out for various units of the Corporation and the cost audit report was filed by the Central Cost Auditor with the Central Government in the prescribed form within the stipulated time period. The cost audit report for 2017-18 would also be filed within the stipulated time.

SECRETARIAL AUDIT

The Secretarial Audit Report for the year 2017-18 confirms that the Corporation has complied with the applicable provisions of the corporate laws, guidelines, rules, etc., which are within the purview of the Corporation. The report, duly certified by a practising Company Secretary, is attached at **Annexure-IV** to this Report.

The Secretarial Auditor has made an observation that the Corporation has not complied with the conditions with regard to minimum number of non executive Directors and Independent Directors in the composition of Board of Directors for the period 01.04.2017 to 21.09.2017 and with regard to appointment of Woman Director for the period 01.04.2017 to 26.10.2017. In this regard, it is clarified that the Corporation being a Government Company under the administrative control of the Ministry of Petroleum & Natural Gas, the selection and appointment of Directors, (including Independent Directors and Woman Director) vests with the Government of India as per the Government guidelines.

PUBLIC PROCUREMENT POLICY FOR MICRO AND SMALL ENTERPRISES (MSEs) ORDER 2012

Your Corporation has taken steps for implementation of the Public Procurement Policy of the Government of India for procurement from MSEs. All efforts are made to procure items specified for procurement from MSEs. In addition, necessary provision has been made in all the tenders stating the eligibility of MSEs to participate in the tender. As against the target of 20 per cent for procurement from MSEs, the actual procurement of your Corporation from MSEs during the year was 24.09 per cent (excluding crude oil & gas). During the year, 54 vendor development programmes were conducted to develop small and medium enterprises.

SUBSIDIARIES AND JOINT VENTURES

During the year, a new Joint Venture Company, viz. Ratnagiri Refinery and Petrochemicals Limited between your Corporation, BPCL and HPCL was incorporated in Sept. 2017 for the purpose of setting up of 60 MMTPA Refinery and Petrochemical Project in Ratnagiri district of Maharashtra. The equity holding of partners is IndianOil : 50 per cent; BPCL : 25 per cent and HPCL : 25 per cent. Subsequently in April, 2018, an MoU was signed between the JV Partners and Saudi Aramco to explore the possibilities of joint development of the project with induction of Saudi Aramco as a strategic partner.

IndianOil CREDA Bio-fuels Ltd., a Subsidiary of the Corporation was wound-up during the year and the name of the Company was struck-off from the Register of Companies by Ministry of Corporate Affairs on 08.03.2018.

As required under the provisions of the Companies Act, 2013, a statement on the performance and financial position of each of the subsidiaries and joint venture companies is provided as an annexure to the Consolidated Financial Statement. The financial statements of the subsidiaries have also been hosted on the website of the Corporation i.e. www.iocl.com under 'Financial Performance' section.

In accordance with the provisions of the SEBI guidelines, your

With focus on strengthening its supply chain, IndianOil has automated 84 of its terminals and converted them to Smart Terminals.

Corporation has framed a policy for determining material subsidiaries, which can be accessed on the Corporation's website at the link https://www.iocl.com/InvestorCenter/Policy_on_Material_Subsidiary.pdf

RELATED PARTY TRANSACTIONS (RPTs)

In line with the provisions of the Companies Act, 2013 and SEBI guidelines, a policy on material RPTs has been framed, which can be accessed on the website of the Corporation at link https://www.iocl.com/InvestorCenter/Policy_on_related_party_transactions.pdf. Your Corporation has undertaken transactions with related parties during the year in the ordinary course of business. In line with the RPT Policy, approval of the Audit Committee & Board, as the case may be, were obtained for such RPTs. As per the threshold mentioned in the policy, there was no material RPT during the year. The disclosures related to RPTs in accordance with applicable accounting standards are provided at Note-37 of the Standalone Financial Statement.

The details of contracts or arrangements with related parties referred to under Section 188 (1) of the Companies Act, 2013 in the prescribed Form AOC-2 are attached at **Annexure -V** of the report.

REPORT ON ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS

In accordance with the provisions of the Companies Act, 2013 and rules framed thereunder, the details relating to Energy Conservation, Technology Absorption and Foreign Exchange earnings and outgo are annexed at **Annexure-VI** to the report.

PARTICULARS OF EMPLOYEES

The provisions of Section 197 of the Companies Act, 2013 and rules notified thereunder, regarding particulars of employees drawing remuneration in excess of limits specified are exempt for Government Companies.

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

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

Appointment

1. Shri Vinoo Mathur, Shri Samirendra Chatterjee, Shri Vivek Rae, Shri Chitta Ranjan Biswal, Dr.Jagdish Kishwan, Shri Sankar Chakraborti, Dr.B.Mahadevan and Shri Dharmendra Singh Shekhawat, were appointed as Independent Directors w.e.f. 22.09.2017.
2. Smt. Urvashi Sadhwani was appointed as Government Director w.e.f. 27.10.2017.
3. Shri B.V.Rama Gopal was appointed as Director(Refineries) w.e.f. 12.02.2018.
4. Shri Ranjan Kumar Mohapatra was appointed as Director(Human Resources) w.e.f. 19.02.2018.
5. Ms. Sushma Taishete Rath was appointed as Government Director w.e.f. 11.05.2018.
6. Shri Kamal Kumar Gwalani was appointed as Company Secretary and Key Managerial Personnel w.e.f. 01.09.2017.

Cessation

7. Shri Verghese Cherian ceased to be Director (Human Resources) w.e.f. 01.11.2017 consequent upon his superannuation.
8. Shri B.S.Canth ceased to be Director(Marketing) w.e.f. 01.02.2018 consequent upon his superannuation.
9. Dr. B. Mahadevan, Independent Director resigned from the Board of the Corporation due to his pre-occupation on 19.03.2018.
10. Shri Anish Aggarwal ceased to be Director(Pipelines) w.e.f. 01.04.2018 consequent upon his superannuation.
11. Smt. Urvashi Sadhwani ceased to be Director w.e.f. 11.05.2018 consequent upon her elevation as Principal Adviser to MoP&NG.
12. Shri Vivek Rae, Independent Director resigned from the Board of the Corporation w.e.f. 04.06.2018.
13. Ms. Sushma Taishete Rath ceased to be a Director w.e.f. 06.07.2018, consequent upon her transfer from MoP&NG.
14. Shri Raju Ranganathan, ceased to be Company Secretary and Key Managerial Personnel w.e.f. 01.09.2017 consequent upon his superannuation.

The Corporation has received the Certificate of Independence from all the Independent Directors confirming that they meet the criteria prescribed for Independent Directors under the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

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

Shri G.K.Satish, Director(P&BD) is liable to retire by rotation and being eligible is proposed to be re-appointed at the forthcoming Annual General Meeting.

A brief profile of the Directors proposed to be appointed / re-appointed at the forthcoming AGM is provided in the notice of the AGM.

BOARD MEETINGS

During the year, 13 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 here to avoid duplication.

PERFORMANCE EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

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 Directors is carried out by the Administrative Ministry i.e. Ministry of Petroleum and Natural Gas (MoP&NG) as per laid down evaluation methodology.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The provisions of Section 134(3)(e) of the Companies Act, 2013 regarding the policy on Directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided in Sec 178(3) are exempted for Government Companies.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

VIGIL MECHANISM/WHISTLE-BLOWER POLICY

The Corporation has framed a whistle-blower policy wherein the 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. 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 policy on Vigil Mechanism/Whistle-Blower can be accessed on the Corporation's website at the link https://www.iocl.com/InvestorCenter/Whistle_Blower_policy.pdf

DETAILS OF LOANS/INVESTMENTS/GUARANTEES

Your Corporation has provided loans/guarantees to its subsidiaries/joint ventures and has made investments during the year in compliance with the provisions of the Companies Act, 2013. The details of such investments made and loans/guarantees provided as on 31st March, 2018 are given in the Standalone Financial Statement under Notes 4, 5, 36 and 42.

EXTRACT OF ANNUAL RETURN

As required under the provisions of the Companies Act, 2013, the extract of Annual Return for the financial year ended 31st March, 2018 in the prescribed form MGT-9 is attached at **Annexure-VII** to this report.

COMPLIANCE WITH SECRETARIAL STANDARDS

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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under clause (c) of sub-section (3) of Sec.134 of the Companies Act, 2013 with respect 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 along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments 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 deep appreciation for the dedicated and sincere efforts of the employees of the IndianOil family for the superlative performance achieved during the year 2017-18. 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 valuable guidance and support 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 Corporation. The Board would like to place on record its appreciation for the valuable guidance and significant contribution made by Shri Verghese Cherian, Shri B.S.Canth, Shri Anish Aggarwal, Dr.B.Mahadevan, Smt.Urvashi Sadhwani, Shri Vivek Rae and Ms. Sushma Taishete Rath during their tenure on the Board of the Corporation.

For and on behalf of the Board

(Sanjiv Singh)
Chairman
DIN: 05280701

Place: New Delhi
Date : 16th July 2018

AWARDS & ACCOLADES

- IndianOil retained its position as the top-ranked Indian company among the world's largest corporates in the prestigious *Fortune* 'Global 500' listing for 2018. The Company has also retained its top position in the annual rankings of *Business Today(BT-500), Businessworld (The BW Real 500), Business Standard (BS-1000),The Economic Times*(ET-500) and Financial Express (FE-1000) by net revenue.
- IndianOil is among the top 10 companies in The Great Place to Work Institute's prestigious listing of India's Best Workplaces in Manufacturing-2018.
- IndianOil topped the *Fortune India* rankings of the country's top 500 corporations for the eighth consecutive year. F*ortune* India 2018 list of India's Most Profitable PSUs – a listing of the 50 top Government-owned entities – ranked IndianOil at the second position.
- IndianOil retained its position among the top 10 Indian brands in a study of the world's top 500 brands published by Brand Finance, UK. Commanding a brand value of US$ 4.2 billion, the IndianOil corporate brand is listed at the 427th position in the overall list compiled by Brand Finance.
- For the third consecutive year, IndianOil's Refineries Division bagged the prestigious Dun & Bradstreet Infra Award for Excellence in Project Implementation. This year, the award was bagged for the Coker-A project at Barauni Refinery based on indigenous technology developed by IndianOil R&D and EIL.
- IndianOil Panipat Refinery & Petrochemicals Complex bagged the award for Asset Of the Year (Best Operational Excellence-2016-17) and Panipat Naptha Cracker received the award for Petrochemicals Plant of the Year at the Global Refining & Petrochemicals Congress (GRPC -2017) held by Energy & Climate Initiatives Society.
- IndianOil's Panipat Refinery & Petrochemicals Complex bagged the award for Asset of the Year (Best Operational Excellence-2016-17) and Panipat Naphtha Cracker received the award for Petrochemicals Plant of the Year at the Global Refining & Petrochemicals Congress (GRPC-2017) held by Energy & Climate Initiatives Society.

IndianOil's Barauni Refinery won the Oil Industry Safety Award for the year 2015-16 and 2016-17

- The Polypropylene (PP) Unit of Panipat Naphtha Cracker (PNC) was ranked No.1 globally in the category of 'Internal Stream Factor' for the year 2016-17, as part of a benchmark study conducted by the Licensor, M/s Lyondell Basell. The HDPE unit too bagged the first rank in prime percentage and unplanned shutdowns for external reasons.
- In the WPP BrandZ rankings for 2017, IndianOil retained its position as the top petroleum brand in the listing, and improved its ranking from 16 to 13.

IndianOil's INDMAX Technology adjudged winner at the 22nd World Petroleum Congress in Istanbul, Turkey

- IndianOil bagged two prizes at the 11th Express Logistics & Supply Chain Leadership Awards in the categories of Industry Excellence in Supply Chain-Oil & Gas (for the 10th time in a row) and Best-In-Class Supply Chain Innovation. The second award was for innovative practices adopted in logistics of POL products, especially in the Northeast where products were moved through tank-trucks loaded on open rail-wagons, airlifted as well as by road through Bangladesh to Tripura.
- IndianOil's PROPEL brand of petrochemicals was recognised as a "Symbol of Excellence in the Plastics & Polymers Industry " by The Economic Times – Best Plastics & Polymers Brands 2018.
- IndianOil XTRAPOWER Program bagged the Best Loyalty Programme in Oil & Gas Sector at the Customer Loyalty Summit 2018.
- *Indane* Nanocut was declared First Runners-Up under Breakthrough Innovation in R&D & Artificial Intelligence category by AIMA.
- IndianOil bagged Asia's Best Employer Brand Award-2017 in the category Excellence in Training.
- IndianOil bagged the 5th Global Training and Development Leadership award in the category of "Most Innovative Use of Training and Development as an HR Initiative for OD."
- IndianOil bagged the National Talent Management Leadership Award-2017 in the category of Best Organisation in Talent Engineering at a special event hosted by Times Ascent and World HRD Congress.

IndianOil bagged the Jawaharlal Nehru Centenary Award at the 21st Refinery Technology Meet held by the Centre for high Technology in the category Best innovation in Refining Team for performance improvement of the FCC unit if Gujarat Refinery through innovative hardware design. IndianOil refineries in Panipat, Guwahati, Bongaigaon and Haldia too bagged awards under various categories at the Refinery Technology Meet.

IndianOil bagged the Dun & Bradstreet Award in the category of Refining and Marketing of Oil at the fourth edition of D&B PSU Awards-2017.

- The Corporate IS team of IndianOil won the Express Uptime Champion Award-2017 for achieving high levels of performance in reliability and availability of IT infrastructure.
- National Safety Awards (2015) were bagged by Panipat Marketing Complex, Bongaigaon Refinery, Indane bottling plants at Bokaro and Jalandhar and Banthara Depot, Shahjahanpur
- Digboi Refinery was declared winner of *Shreshtha Suraksha Puraskar* (Silver Trophy) in the manufacturing sector for the year 2017 by NSCI.

IndianOil's INDMAX Technology won the Best Innovator of the Year award and Bongaigaon Refinery won the Most improved refinery of the Year award, instituted by the Federation of Indian Petroleum Industry (FIPI) for the year 2016.

- IndianOil's Foreshore Terminal at Kandla bagged the 'Golden Peacock Occupational Health & Safety Award' for the year 2017.
- Mathura Refinery was conferred TPM Excellence Award by Japan Institute of Plant Maintenance.
- Bongaigaon Refinery was awarded the National Energy Conservation Award 2017 (Second Prize) for 2017 by the Bureau of Energy Efficiency, Government of India, and the Ministry of Power.
- Mysore LPG bottling plant and Kochi LPG Import Terminal of IndianOil received Construction Industry Development Council (Vishwakarma Awards) for excellence in construction and project execution.
- Marketing QC Labs, including four Regional Labs at Delhi, Mumbai, Kolkata and Chennai, participated in international correlation programmes organised by ASTM-USA. Among IndianOil labs, Northern Region QC Lab achieved top performance, with Ambala and Lucknow labs jointly bagging 'Best-Performing Laboratory' trophy.

IndianOil was adjudged the Best PSU in Oil & Gas category at India Pride Awards presented by Dainik Bhaskar group.

IndianOil Champions
shower India with 11 striking wins

Congratulations to IOCians for making the nation proud
with record-smashing wins at CWG 2018

4 GOLD MEDALS

- **Manika Batra**
  Table Tennis Women's Singles
- **Manika Batra**
  Table Tennis Women's Team Event
- **Sikki Reddy & K Srikant**
  Badminton Mixed Team Event
- **Sharath Kamal**
  Table Tennis Men's Team Event

4 SILVER MEDALS

- **Kidambi Srikanth**
  Badminton Men's Singles
- **Manika Batra**
  Table Tennis Women's Doubles
- **Sharath Kamal**
  Table Tennis Men's Doubles
- **Mehuli Ghosh**
  10-m Women's Air Rifle

3 BRONZE MEDALS

- **Manika Batra**
  Table Tennis Mixed Doubles
- **Sharath Kamal**
  Table Tennis Men's Singles
- **Sikki Reddy**
  Badminton Women's Doubles

...and Our Dedicated Coaches : Sh.Gopichand (Badminton), **Sh. Soumyadeep Roy** (Table Tennis)

इंडियनऑयल
IndianOil

2018
YEAR OF **TRUST**

ANNEXURE-I

DIVIDEND DISTRIBUTION POLICY

PREAMBLE:

The shares of Indian Oil Corporation Limited (the "Company") are listed on National Stock Exchange of India Limited, Mumbai and BSE Limited, Mumbai. As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company is required to formulate a Dividend Distribution Policy which shall be disclosed in its Annual Report and on its website.

The Board of Directors of the Company ("the Board") has approved the Dividend Distribution Policy of the Company ("the policy").

OBJECTIVE:

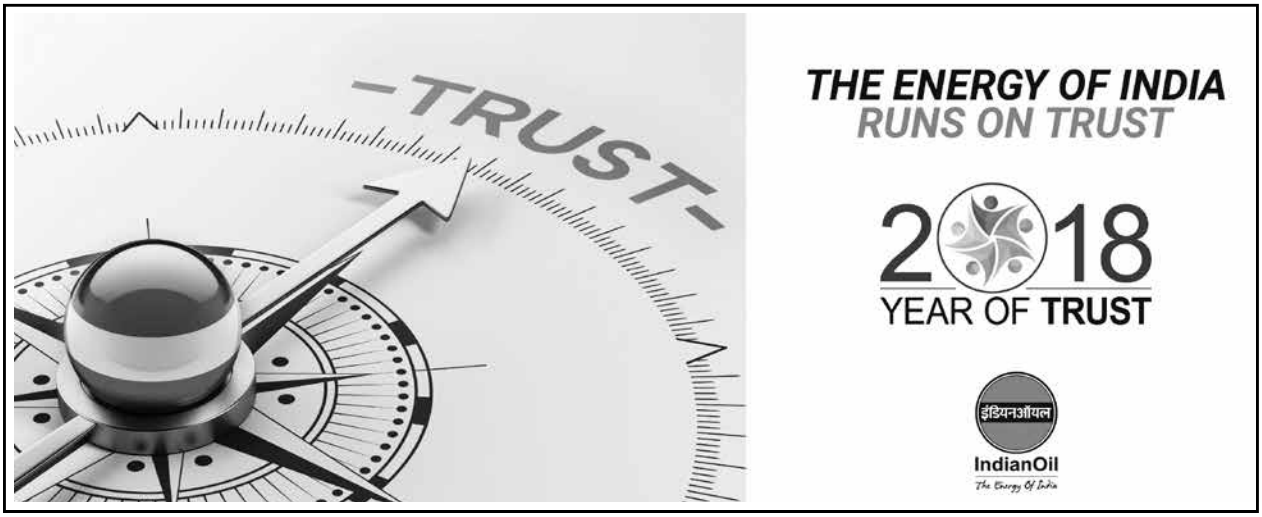
The Company strives for maximisation of shareholders' value and believes that this can be attained by driving growth. The policy endeavours to strike an optimum balance between rewarding shareholders through dividend and ensuring that sufficient profits are retained for growth of the Company and other needs. The objective of the policy is to lay down a consistent approach to dividend declaration.

PARAMETERS FOR DIVIDEND DISTRIBUTION:

- The Company has only one class of shares i.e. Equity shares and, hence, the parameters disclosed hereunder apply to the same.
- The Board while considering payment of dividend for a financial year may, inter-alia, consider the following factors:-
    - Profit for the financial year as well as general reserves of the Company.
    - Projections of future profits and cash flows;
    - Borrowing levels and the capacity to borrow;
    - Present and future capital expenditure plans of the Company including organic/inorganic growth avenues.
    - Applicable taxes including tax on dividend
    - Compliance with the provisions of the Companies Act or any other statutory guidelines including guidelines issued by Govt. of India.
    - Past dividend trend for the Company and the industry
    - State of economy and capital markets
    - Any other factor as may be deemed fit by the Board
- The profits for a year may be adjusted at the discretion of the Board, for the purpose, to exclude exceptional or one of items or non-cash items resulting from change in law, accounting policies, accounting standards or otherwise.
- The Company would endeavor to pay minimum annual dividend of 30% of Profit After Tax (PAT) or 5% of net worth, whichever is higher subject to the maximum dividend permitted under the extant legal provisions.
- In case the Company declares a lower or no dividend for a particular year due to inadequacy or absence of profits/ reserves or otherwise, the reasons and justification thereof shall be disclosed to the shareholders through Annual Report of the Company.
- The company is committed to continuous growth and has plans requiring significant capital outlay. The retained earnings, after distribution of dividend, shall primarily be utilized towards this purpose.
- Dividend shall be recommended by the Board for approval of shareholders of the Company for payment. However, the Board may also consider payment of interim dividend as and when it feels appropriate.

GENERAL:

- In the event of the policy being inconsistent with any new regulatory provision, such regulatory provision shall prevail upon the corresponding provision of this policy and the policy shall be construed to be amended accordingly from the effective date of such provision.
- The Company reserves its right to alter, modify, add, delete or amend any or all of the provisions of the policy as it may deem fit or in accordance with the guidelines as may be issued by SEBI, Government of India or any other regulatory authority. The change in the policy shall, however, be disclosed alongwith the justification thereof on the Company's website and in the ensuing Annual Report in accordance with the extant regulatory provisions.



IndianOil

ANNEXURE-II

SC/ST/OBC REPORT - I

Annual Statement showing the representation of SCs, STs and OBCs as on 1st January 2018 and number of appointments made during the preceding calender year

Groups	Name of the Public Enterprises:				Indian Oil Corporation Limited									
	Representation of SCs/STs/OBCs (As on 1.1.2018)				Number of appointments made during the calendar year 2017									
					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	17255	2851	1289	3492	1291	211	113	388	3088	512	205	3	1	1
Non-Executives														
B	5851	978	594	342	0	0	0	0	461	82	40	0	0	0
C	9949	1954	726	2251	647	96	46	298	1726	341	122	0	0	0
D (Excluding Sweeper)	310	52	19	99	77	6	5	20	0	0	0	0	0	0
D (Sweeper)	2	2	0	0	0	0	0	0	0	0	0	0	0	0
Total (Executives plus Non-executives)	**33367**	**5837**	**2628**	**6184**	**2015**	**313**	**164**	**706**	**5275**	**935**	**367**	**3**	**1**	**1**

SC/ST/OBC Report - II

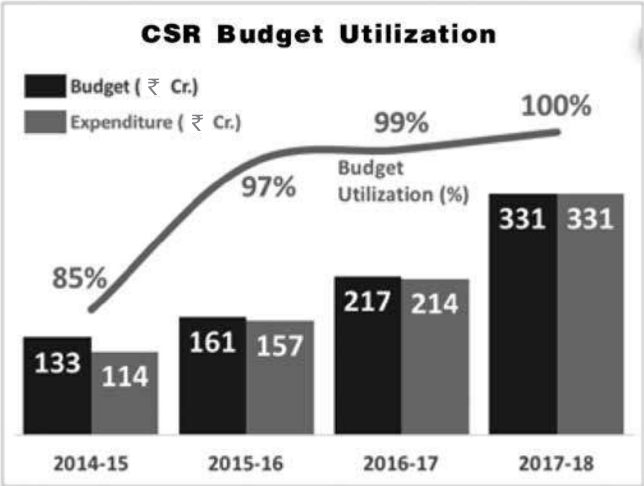
Annual Statement showing the representation of SCs, STs and OBCs in various group A services as on 1st January 2018 and number of appointments made in the service in various grades in the preceding calender year

Pay Scale (in ₹)	Name of the Public Enterprises:				Indian Oil Corporation Limited									
	Representation of SCs/STs/OBCs (As on 1.1.2018)				Number of appointments made during the calendar year 2017									
					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**
50000-160000	29	4	1	10	1	0	0	1	0	0	0	0	0	0
60000-180000	5321	841	404	1649	1282	209	113	385	130	22	12	2	1	1
70000-200000	3301	518	214	765	1	0	0	1	824	136	56	0	0	0
80000-220000	3189	574	260	581	2	1	0	0	778	117	50	0	0	0
90000-240000	1765	288	149	278	2	0	0	1	422	72	42	1	0	0
100000-260000	1449	333	137	166	3	1	0	0	388	87	19	0	0	0
120000-280000	1241	199	98	38	**No recruitment is made in this Group.**				262	46	18	0	0	0
120000-280000	653	73	22	3					175	23	5	0	0	0
120000-280000	229	16	3	2					84	8	3	0	0	0
150000-300000	78	5	1	0					25	1	0	0	0	0
G.Total	**17255**	**2851**	**1289**	**3492**	**1291**	**211**	**113**	**388**	**3088**	**512**	**205**	**3**	**1**	**1**

ANNEXURE-III

HIGHLIGHTS OF CSR ACTIVITIES DURING 2017-18

IndianOil has been actively engaged in a gamut of social welfare/upliftment activities across the nation, in addition to reaching essential fuels viz. Kerosene, LPG, petrol, diesel, etc. to every nook and corner of the country. IndianOil's key Corporate Social Responsibility (CSR) thrust areas include safe drinking water and protection of water resources, healthcare and sanitation, education and employment-enhancing vocational skills, empowerment of women and socially/economically backward groups, etc. The CSR projects of IndianOil are mostly undertaken in the vicinity of its establishments for improving the quality of life of the community, which invariably includes marginalized groups belonging to the under-privileged section of the society, viz. SCs, STs, PHs, OBCs, etc. IndianOil has a long standing CSR legacy, which started much before the CSR legislation (Companies Act, 2013) came into force in 2014-15. For the year 2017-18, the entire budget allocation of ₹331.05 crore was spent on CSR activities, thereby achieving 100% budget utilization.



Key CSR initiatives in 2017-18

Hon'ble President of India inaugurated the Institute of Chemical Technology, Odisha Campus, Bhubaneswar

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

   Hon'ble President of India inaugurated the Institute of Chemical Technology-Mumbai, IndianOil Odisha Campus (ICTM-IOC) at Bhubaneswar on 18th March 2018. ICTM-IOC will offer first-of-its-kind programmes viz. 5-year integrated M. Tech. (with 2 trimesters for experimental design projects to promote entrepreneurship and start-ups) and 2-year Executive M.Tech. for industrial personnel, in addition to Ph.D courses. The institute would evolve into an R&D/innovation hub to carry out high-end research in chemical engineering, petrochemicals, textiles, pharmaceuticals & energy and will become a world-class Centre of Excellence in Chemical Engineering & Technology. The first academic session will commence from the academic session 2018-19.

Bolstering Hon'ble Prime Minister's "Skill India" dream

2. **Skill Development Institute, Bhubaneshwar, Odisha**

   Skill Development Institute, Bhubaneswar (SDI-B) was established on 9th May 2016 with an aim to provide opportunities for skilling and livelihood to the unemployed and underprivileged youth of Odisha and to provide skilled manpower to the industry. Initially, SDI-B started operation in 2 trades viz. Industrial Electrician & Welder. However, with increasing demand of skilled manpower, four new courses viz. Fitter, Instrumentation, Computer Data Application (only for girls) and Pipe Fitter were added in 2017-18. As on date, about 150 students are being skilled in 6 trade courses of 3 to 6 months duration each. Since inception, 528 students have successfully completed various courses and 80% of them have been successfully placed. It is planned to establish a permanent campus of SDI-B near Taraboi, Jatni, Odisha, which will be a mega-world-class model skill academy. Once 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. Hon'ble President of India, laid the foundation stone of the main campus of SDI-B on 18th March 2018.

3. **Kaushal Vikas Kendra, Barauni, Bihar**

IndianOil's Kaushal Vikas Kendra, Barauni started functioning from March 2017 with an aim to provide skill training to the youth of Begusarai district, in which Barauni Refinery is located. At present, skill training is provided in 5 trades viz. Plumbing, Masonry, Welding, Fitter & Electrician. The candidates are mobilized by organizing awareness camps in villages near the Refinery. Priority is given to school drop outs and economically weaker sections of the society. Classes are organized in association with National Skill Development Corporation (NSDC) under National Skill Qualification Framework (NSQF). After completion of training, assessment is done through NSDC authorized agencies, after which NSDC certificates are issued to the successful candidates. During 2017-18, 448 candidates were enrolled under various trades, out of which 341 candidates have been certified.

4. **Skill Training in Plastic Engineering trades in Assam, Odisha & West Bengal**

Plastic industry centric skill training was provided to unemployed youth in Assam, Odisha & West Bengal through Central Institute of Plastics & Engineering Technology (CIPET) centres at Guwahati, Bhubaneswar and Haldia. Three to six month skill training was provided in 3 trades viz. Machine Operator, Injection Moulding & Plastic Processing. During 2017-18, 135 youth were trained, out of which 82 candidates were provided placement opportunity and 10 candidates preferred to start their entrepreneurial initiatives.

5. **IndianOil Multi Skill Development Institute, Digboi, Assam**

IndianOil Multi-Skill Development Institute (iMSDI), Digboi started operations in 2014 to provide vocational skill training to local youth in various industry-linked skills and competencies. Every year, about 400 youth benefit from this project. iMSDI offers short duration courses of 3-month duration. The target beneficiaries include unemployed/under-employed/BPL youth of the North-East region with specific emphasis on surrounding areas of Digboi. The short-term courses have been identified based on the job requirements of the member industries of CII, the implementing partner. During 2017-18, 237 youth were enrolled in various courses, out of which 176 were certified.

6. **Assam Oil School of Nursing, Digboi, Assam**

Assam Oil School of Nursing (AOSN) was established in 1986. It offers 3-year Diploma course in General Nursing and Midwifery (GNM) and 4-year B.Sc. (Nursing) course to 60 young girls (30 in each course) every year. Before AOSN came into being, there was dearth of qualified nurses in the North East. AOSN is able to provide opportunities to the young under-privileged girls to bridge this gap and simultaneously provide them stable careers and livelihood. Since inception,

410 students have successfully completed GNM course with 100% placement record. In 2017-18, 59 girls were enrolled for GNM & B.Sc. courses.

IndianOil's healthcare projects treated more than 76,000 human beings and 23,000 animals

7. Assam Oil Division Hospital, Digboi, Assam

Assam Oil Division Hospital at Digboi (with 200 beds) was established in 1906. This hospital caters to the population residing in Digboi and other nearby areas of the North East. Every year, about 1 lakh patients are treated at this hospital, out of which about 15% are non-employee patients. This hospital registers about 4,000 patients for indoor admissions and conducts operative procedures on about 2,000 patients every year. Health camps of general and specialized nature are also organized regularly by the hospital to reach out to the poor villagers in the vicinity, who have no access to medical consultations or treatment. During 2017-18, 14,669 non-employee patients were treated at this hospital.

8. Swarna Jayanti Samudayik Hospital, Mathura, Uttar Pradesh

Swarna Jayanti Samudayik Hospital at Mathura (with 50 beds), established in 1999, provides medical treatment to residents near Mathura Refinery, Uttar Pradesh. Two mobile dispensaries also go to the villages in the nearby areas to provide free medical care to the villagers in need of medical attention. The hospital provides free treatment to the destitute and offers subsidized treatment to others. During 2017-18, 57,752 patients were treated at this Hospital, out of which operative procedures were conducted on 767 patients.

9. Sarve Santu Niramaya, Digboi, Assam

IndianOil's unique CSR initiative titled "Sarve Santu Niramaya" (Good health to all) was launched in December 2012 to provide free health consultation and free medicines

to human beings as well as livestock in the villages near Digboi Refinery. It was felt that good health of livestock is as important as that of the human beings, as livestock was a key livelihood generator for the villagers. During 2017-18, 28 Sarve Santu Niramaya camps were organized, in which 3,766 human beings and 23,496 cattle/poultry were treated/ vaccinated.

Educating for a better tomorrow: more than 4600 students benefitted

10. IndianOil Gyanodaya scheme in Govt. ITIs & Polytechnics

IndianOil Gyanodaya Scheme was launched in 2017 with the aim to provide scholarships on merit-cum-means basis to students pursuing 2-year regular courses in Government ITIs and 3-year regular courses in Government Polytechnics to incentivize them to perform well. The scheme aims to cover 36 Government institutes (18 ITIs and 18 Polytechnics) near 9 IndianOil Refinery locations. 50 students per batch are selected from each institute every year. Each student is provided scholarship @ ₹1000/- per month for the entire duration of the regular courses. During 2017-18, 1308 students from 30 ITIs and Polytechnics were selected under the scheme.

11. Supporting and sustaining 5 schools at 5 Refinery units

IndianOil is supporting and sustaining 4 Kendriya Vidyalayas at 4 Refinery units at Barauni, Guwahati, Haldia and Mathura & 1 Higher Secondary School at Bongaigaon. IndianOil provides infrastructure facilities with well-equipped facilities

viz. labs, library, playground, etc. for all round development of the students. During 2017-18, 3345 students were supported through these schools.

Assistive devices provided to more than 900 Divyangjans

12. Assistive devices to Divyangjans in Andhra Pradesh, Punjab, Odisha & Bihar

IndianOil, in association with Artificial Limbs Manufacturing

Corporation (ALIMCO), provided assistive devices, viz tricycles, wheel chairs, crutches, walking sticks, hearing aids, artificial limbs, etc. to Divyangjans in Andhra Pradesh, Punjab, Odisha & Bihar. The beneficiaries were selected through camps organized in the villages near the target locations. During 2017-18, 902 Divyangjans in these 4 States were provided with various assistive devices.

IndianOil Jal Jeevan and IndianOil Surya Prakash

13. Quenching the thirst of villagers & illuminating villages through solar lights

IndianOil, through its flagship CSR projects Jal Jeevan & Surya Prakash, has fulfilled the need for clean drinking water & illumination of many villages, including Hope town village of South Andaman District in Andaman and Nicobar Islands.

The quest of the families of the village for safe drinking water and street illumination was fulfilled by IndianOil by providing a 1000 litre/hour RO water plant and 30 solar street lights. 6000 inhabitants of Hope town village have benefitted from this project. So far, IndianOil Jal Jeevan and Surya Prakash projects have been rolled out in 30 and 25 villages across India respectively.

Project to help animals

14. Enclosure for Asiatic Lions, Mangaluru, Karnataka

IndianOil constructed an enclosure for Asiatic Lions in Dr. Shivarama Karantha Pilikula Nisarga Dhama (Biological Park), Mangaluru, which is spread over an area of 356 acres. The enclosure will provide exclusive habitation for the Asiatic Lions, which is an endangered species. The park has a separate zoo spread over an area of 185 acres. About 1000 animals inhabit the zoo. About 6 lakh people visit the Biological Park/ zoo every year.

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2017-18

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

IndianOil's CSR is guided by its corporate vision of caring for environment and community. IndianOil believes that CSR is its continuing commitment to conduct business in an ethical and sustainable manner and 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 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 minimizes negative impact on the environment and enhances quality of life of the community, towards sustaining a holistic business.

The S&CSR policy of IndianOil is attached at **Annexure-A**. Overview of the CSR initiatives, which were proposed to be undertaken during 2017-18, is provided at **Annexure-B**. The S&CSR policy is also available at the corporation's website (URL: https://iocl.com/AboutUs/IOC_S&CSR_Policy.pdf). The CSR initiatives undertaken during the financial year are also uploaded at the corporation's website.

2. The Composition of the CSR & Sustainable Development Committee as on 31.03.18

1) Shri Parindu K. Bhagat, Independent Director	-	Chairman
2) Shri Sankar Chakraborti, Independent Director	-	Member
3) Director (Finance)	-	Member
4) Director (Planning & Business Development)	-	Member
5) Director (Human Resources)	-	Member
6) Director (Marketing)	-	Member

3. CSR Budget for the F.Y. 2017-18

As per the provisions of Section 135(5) of the Companies Act 2013, the CSR expenditure should be 2% of the average net profit of the Company in the last 3 years (as computed as per Section 198 of the Companies Act 2013).

The average net profit of IndianOil in the last 3 years was Rs.16,397.11 crore.

Thus, the prescribed allocation for the year 2017-18 as per the provisions of the Companies Act 2013 was ₹327.94 crore. Considering the unspent amount of ₹3.11 crore brought forward from the previous year, the total CSR budget for 2017-18 was ₹331.05 crore.

4. Details of CSR expenditure during F.Y. 2017-18

a) The total amount spent on CSR initiatives during 2017-18 was ₹331.05 crore, which is 100% of the CSR budget allocated for the year.

b) Amount unspent, if any

Nil

c) Manner in which the amount was spent during the financial year is provided in **Annexure-C.**

5. In case the company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

The Company spent ₹331.05 crore, which includes ₹327.94 crore (two per cent of the average net profit of the last three financial years as per the Companies Act 2013) and ₹3.11 crore carried forward from the previous year, i.e. 2016-17.

6. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

The Board of IndianOil has approved the S&CSR Policy and accordingly, the CSR activities have been undertaken in line with the Policy.

Sd/-	Sd/-
Ranjan Kumar Mohapatra	**Parindu K. Bhagat**
[Director (HR)]	[Chairman, CSR&SD Committee]

Annexure A

IndianOil's Sustainability & CSR Policy

IndianOil's Sustainability & CSR (S&CSR) vision is to operate its activities in providing energy solutions to its customers in a manner that is efficient, safe & ethical, which minimizes negative impact on environment and enhances quality of life of the community, towards sustaining a holistic business.

In line with the above vision, IndianOil's S&CSR mission is to:

- Meet stakeholders' aspirations for value creation and grow along with the society.
- Ensure a safe & healthy working environment.
- Incorporate environmental and social considerations in business decisions.
- Earn stakeholders' goodwill and build a reputation as a responsible corporate citizen.
- Conduct business with ethics and transparency & follow responsible business practices.

IndianOil shall pursue the following thrust areas under S&CSR:

- Efficiency in operations and processes.
- Safe and healthy environment in and around the workplaces.
- Basic livelihood needs & societal empowerment.
  - Safe drinking water and protection of water resources.
  - Healthcare and sanitation.
  - Education and employment-enhancing vocational skills.
  - Empowerment of women and socially/economically backward groups, etc.
- Tourist friendly facilities at monuments of national importance.
- Environmentally sustainable practices within & beyond the organization's premises:
  - Clean energy options.
  - Rain water harvesting (at co. owned premises, retail outlets).
  - Limit emission of Greenhouse Gases.
  - Reduce/reuse/recycle resources/waste & dispose waste streams in environmentally safe manner.
- Promotion of responsible business practices: Conduct business with transparency, integrity and accountability.

IndianOil's S&CSR Policy will be operative within the overall ambit of CSR Provisions of the Companies Act 2013 (including Schedule VII), Companies (CSR Policy) Rules 2014, DPE's guidelines on CSR & Sustainability and clarifications/amendments thereof from time to time.

IndianOil shall constitute a Sustainability & CSR Committee of the Board, consisting of at least three Directors, out of which at least one Director shall be an independent director.

IndianOil shall earmark 2% of average net profits earned during three immediately preceding financial years for 'CSR budget' of the year, which will be non-lapsable.

The surplus arising out of the projects/programs/initiatives, which are funded from the CSR budget, shall not form part of the business profit.

If IndianOil fails to spend the CSR budget of a year, the reasons for not spending the amount will be specified in the Directors' Report.

All S&CSR activities, which are funded from the CSR budget, shall exclude those undertaken in pursuance of normal course of business.

Activities funded from the CSR budget will have following 6 components:

a) Need Assessment,

b) Modalities of Execution,

c) Implementation Schedule,

d) Modalities of Utilization of Funds,

e) Monitoring/Reporting Mechanism, and

f) Impact assessment (for large projects).

S&CSR Policy and its contents shall be displayed at IndianOil's web site, as per the format specified in the CSR Rules. The Directors' Report shall include an annual report on S&CSR activities.

ANNEXURE-B

Overview of projects that were proposed to be undertaken in 2017-18 (in line with the CSR policy)

Sl. No	Major CSR Heads	Sector	Local/ Other	State	District	Monitoring Process: Monitoring Through	Budget (₹ crore)
	Annual CSR Allocation as per Companies Act 2013						**327.94**
	Carry forward from the previous year						**3.11**
	CSR Budget for 2017-18						**331.05**
	Flagship Projects/Special projects						
	Healthcare						
1	Swarna Jayanti Samudayik Hospital, Mathura	Healthcare	Local	Uttar Pradesh	Mathura	CSR Committee, Mathura Refinery	6.55
2	AOD Hospital, Digboi	Healthcare	Local	Assam	Tinsukia	CSR Committee, AOD, Digboi	5.00
3	IndianOil Aarogyam (Mobile Medical Scheme)	Healthcare	Local	3 States	5 districts	Unit Level CSR Committees	1.81
4	Sarve Santu Niramaya, Digboi	Healthcare	Local	Assam	Tinsukia	CSR Committee, AOD, Digboi Refinery	0.20
5	IndianOil Chikitsa Seva Kendra, Bongaigaon	Healthcare	Local	Assam	Bongaigaon	CSR Committee, Bongaigaon Refinery	0. 10
	Environmental Sustainability/Sanitation						
6	MoP&NG LPG Scheme for BPL Families (Cleaner fuel / cleaner environment in kitchens)	Env. Sust.	Local/ Other	All India	All India	LPG Group of Marketing Division	76.43
7	Swachh Iconic Place project: Mata Vaishno Devi, Katra	Sanitation	Local	J&K	Jammu	CSR Committee, Punjab State Office	15.00
8	Waste to Fuel project, Varanasi	Env. Sust.	Local	Uttar Pradesh	Varanasi	Planning & Business Development Group	13.10
	Education						
9	IndianOil Academic Scholarship (Residual)	Education	Local/ Other	All India	All India	Committee of IIPM, Gurgaon	4.00
10	Kendriya Vidyalaya, Mathura	Education	Local	Uttar Pradesh	Mathura	CSR Committee, Mathura Refinery	2.96
11	Higher Secondary School, Bongaigaon	Education	Local	Assam	Bongaigaon	CSR Committee, Bongaigaon Refinery	2.55
12	Kendriya Vidyalaya, Barauni	Education	Local	Bihar	Begusarai	CSR Committee, Barauni Refinery	2.50
13	Kendriya Vidyalaya, Haldia	Education	Local	West Bengal	E. Midnapore	CSR Committee, Haldia Refinery	2.45
14	Kendriya Vidyalaya, Guwahati	Education	Local	Assam	Kamrup Metro	CSR Committee, Guwahati Refinery	1.90
15	IndianOil Gyanodaya	Education	Local	6 States	8 Districts	Unit Level CSR Committees	1.08
	Skill Development						
16	Skill Development Institute (SDI), Bhubaneswar	Skill Devp.	Local	Odisha	Bhubaneswar	Corporate L&D	9.00
17	Assam Oil School of Nursing, Digboi	Skill Devp.	Local	Assam	Tinsukia	CSR Committee, AOD, Digboi	4.58
18	Skill Development Inst. by BPC, HPC, OIL & GAIL	Skill Devp.	Local	5 States	5 Districts	Corporate L&D	4.50
19	Hydrocarbon Sector Skill Council	Skill Devp.	Local/ Other	All India	All India	Corporate L&D	1.33
20	IndianOil Multi-Skill Development Institute, Digboi	Skill Devp.	Local	Assam	Tinsukia	CSR Committee, AOD, Digboi	0.45
21	Skill Development Centre, Barauni	Skill Devp.	Local	Bihar	Begusarai	CSR Committee, Barauni Refinery	0.25
22	Sikshak Dakshata Vikas Abhiyan, Digboi	Skill Devp.	Local	Assam	Tinsukia	CSR Committee, AOD, Digboi	0.05
	Art & Culture/ Sports/ Others						
23	Developing tourist friendly facilities at sites of historical importance	Art/ Culture	Local/ Other	7 States	7 districts	IndianOil Foundation	50.00
24	Statue of Unity, SVPRET	Art/ Culture	Local/ Other	Gujarat	Narmada	CSR Committee, Gujarat State Office	28.17
25	IndianOil Sports Scholarship	Sports	Local/ Other	All India	All India	CSR Committee of Marketing HQ	2.30
	New projects near establishments across India						
26	Marketing Division	All sectors	Local/ Other	All India	All India	Divisional/Unit Level Committees	36.72
27	Refineries Division	All sectors	Local/ Other	7 States	9 Districts	Divisional/Unit Level Committees	24.59
28	Pipelines Division	All sectors	Local/ Other	All India	All India	Divisional/Unit Level Committees	10.41
29	R&D Centre	All sectors	Local	Haryana	Faridabad	Divisional/Unit Level Committees	1.00
30	Corporate Office	All sectors	Local/ Other	All India	All India	Divisional/Unit Level Committees	7.07
	Administrative overheads	-	-	-	-	-	**15.00**
	Total CSR Budget for 2017-18						**331.05**

ANNEXURE-C

Details of amount spent in 2017-18

Sl. No	CSR project or activity identified	Sector, in which the project is covered	Projects or programs		Amount outlay	Amount spent		Cum. Exp	Amount spent: Direct or through Implementing Agency (IA)
			Local/ Other	State/ District	₹ crore	Direct exp. ₹ crore	Overheads ₹ crore)	₹ crore	
	Flagship Projects/Special projects								
	Healthcare								
1	Swarna Jayanti Samudayik Hospital, Mathura	Healthcare	Local	UP/ Mathura	6.55	6.03	0.28	6.31	Direct/IA
2	AOD Hospital, Digboi	Healthcare	Local	Assam/ Tinsukia	5.00	5.12	0.24	5.36	Direct
3	IndianOil Aarogyam (Mobile Medical Scheme)	Healthcare	Local	3 States/5 Districts	1.81	0.00	0.00	0.00	Direct
4	Sarve Santu Niramaya, Digboi	Healthcare	Local	Assam/ Tinsukia	0.20	0.20	0.01	0.21	Direct
5	IndianOil Chikitsa Seva Kendra, Bongaigaon	Healthcare	Local	Assam/ Bongaigaon	0.10	0.02	0.00	0.02	Direct
	Environmental Sustainability / Sanitation								
6	MoP&NG LPG Scheme for BPL Families (Cleaner fuel / cleaner environment in kitchens)	Env. Sust.	Local/ Other	All India	76.43	76.43	3.56	79.99	Direct
7	Swachh Iconic Place project: Mata Vaishno Devi, Katra	Sanitation	Local	J&K/ Jammu	15.00	0.32	0.01	0.33	IA
8	Waste to Fuel project, Varanasi	Env. Sust.	Local	UP/ Varanasi	13.10	3.36	0.16	3.52	Direct/IA
	Education								
9	Institute of Chemical Technology, Mumbai-IOC, Bhubaneswar Campus	Education	Local	Odisha / Bhubaneswar	0.00	12.54	0.58	13.12	Direct/IA
10	IndianOil Academic Scholarship (Residual)	Education	Local/ Other	All India	4.00	3.99	0.19	4.18	Direct/IA
11	Kendriya Vidyalaya, Mathura	Education	Local	UP/ Mathura	2.96	4.26	0.20	4.46	Direct
12	Higher Secondary School, Bongaigaon	Education	Local	Assam/ Bongaigaon	2.55	3.52	0.16	3.68	Direct
13	Kendriya Vidyalaya, Barauni	Education	Local	Bihar/ Begusarai	2.50	3.30	0.15	3.45	Direct
14	Kendriya Vidyalaya, Haldia	Education	Local	West Bengal/ East Midnapore	2.45	2.46	0.11	2.57	Direct
15	Kendriya Vidyalaya, Guwahati	Education	Local	Assam/ Kamrup Metro	1.90	1.90	0.09	1.99	Direct
16	IndianOil Gyanodaya	Education	Local	6 States/8 Districts	1.08	0.27	0.01	0.28	Direct
	Skill Development								
17	Skill Development Institute (SDI), Bhubaneswar	Skill Devp.	Local	Odisha / Bhubaneswar	9.00	4.50	0.21	4.71	Direct
18	Assam Oil School of Nursing, Digboi	Skill Devp.	Local	Assam/ Tinsukia	4.58	3.28	0.15	3.43	Direct
19	SDIs by BPC, HPC, OIL & GAIL	Skill Devp.	Local	4 States/4 Districts	4.50	5.50	0.26	5.76	IA
20	Hydrocarbon Sector Skill Council	Skill Devp.	Local/ Other	All India	1.33	1.33	0.06	1.39	Direct
21	IndianOil Multi-Skill Development Institute, Digboi	Skill Devp.	Local	Assam/ Tinsukia	0.45	0.18	0.01	0.19	IA
22	Skill Development Centre, Barauni	Skill Devp.	Local	Bihar/ Begusarai	0.25	0.38	0.02	0.40	IA
23	Sikshak Dakshata Vikas Abhiyan, Digboi	Skill Devp.	Local	Assam/ Tinsukia	0.05	0.05	0.00	0.05	Direct
	Art & Culture/Sports/Others								
24	Developing tourist friendly facilities at sites of historical importance	Art/ Culture	Local/ Other	7 States/7 Districts	50.00	37.01	1.72	38.73	Direct/IA
25	Statue of Unity, SVPRET	Art/ Culture	Local/ Other	Gujarat/ Narmada	28.17	68.17	3.17	71.34	Direct/IA

Sl. No	CSR project or activity identified	Sector, in which the project is covered	Projects or programs		Amount outlay	Amount spent		Cum. Exp	Amount spent: Direct or through Implementing Agency (IA)
			Local/ Other	State/ District		Direct exp.	Overheads		
					₹ crore	₹ crore	₹ crore)	₹ crore	
26	IndianOil Sports Scholarship	Sports	Local/ Other	All India	2.30	1.80	0.08	1.88	Direct
	New projects near establishments across India*								
27	Marketing Division	All sectors	Local/ Other	All India	36.72	31.17	1.45	32.62	Direct/IA
28	Refineries Division	All sectors	Local/ Other	7 States/9 Districts	24.59	26.79	1.25	28.04	Direct/IA
29	Pipelines Division	All sectors	Local/ Other	All India	10.41	12.09	0.56	12.65	Direct/IA
30	R&D Centre	All sectors	Local	Haryana/ Faridabad	1.00	0.36	0.02	0.38	Direct/IA
31	Corporate Office	All sectors	Local/ Other	All India	7.07	0.00	0.00	0.00	Direct/IA
	Total				**316.05#**	**316.33**	**14.72**	**331.05**	

* New projects of various Divisions include activities, viz. development of skill centers, construction of school buildings, provision of furniture, computers, books, etc. to schools, installation of hand pumps / bore wells, construction of elevated water tanks, provision of water tap connection, water purifiers/ water coolers to schools/ community centers, organizing health camps for immunization, HIV/AIDS awareness, pulse polio, eye care, blood donation, etc., provision of ambulances, medical equipments, etc. to hospitals/health centers, organizing sports meets, livelihood projects, etc.

Note: Amount outlay excludes ₹15.00 crore allocated towards Administrative overheads, against which ₹14.72 crore was appropriated.

ANNEXURE-IV

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Issued in pursuance to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with modifications as deemed necessary, without changing the substance of format given in MR-3]

To,
The Members,
Indian Oil Corporation Limited
Indian Oil Bhavan,
G-9, Ali Yavar Jung Marg,
Bandra (East),
Mumbai - 400 051

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") for the financial year ended 31st March 2018. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

A. In expressing our opinion it must be noted that-

i. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis of our opinion.

iii. We have not verified the correctness and appropriateness of the financial statements of the Company.

iv. 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 the terms and conditions of such appointment, including remuneration and evaluation, vests with the Government of India.

v. Wherever required, we have obtained the management representation pertaining to compliance of laws, rules and regulations, happening of events, etc.

vi. The compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

vii. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

B. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March,2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes (duly evolved) and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

C. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2018 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made there under ;

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 applicable to 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009 to the extent of provisions relating to issue of shares by way of bonus;

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

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

(d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and

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

The Company has not undertaken any of the activities during the audit period as envisaged in the following

Regulations and Guidelines prescribed under the SEBI Act and hence are not relevant for the purpose of audit:-

(a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; and

(b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

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

VII. The following Acts and Rules made thereunder pertaining to oil and gas business, as applicable to the Company:

(a) Oil fields (Regulation and Development) Act, 1948;

(b) Petroleum Act, 1934;

(c) Mines and Minerals (Regulation and Development) Act, 1957;

(d) Petroleum and Minerals Pipelines (Acquisition of Right of User Inland) Act, 1962;

(e) Oil Mines Regulations, 1984;

(f) Petroleum & Natural Gas Rules, 1959;

(g) Petroleum Rules, 2002;

(h) Oil Drilling and Gas Extraction Industry Standards, 1996; and

(i) The Oil Industry (Development) Act, 1974.

We have also examined the compliance with the following:

i. Secretarial Standards in respect of Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

ii. Compliance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (LODR).

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

a) The Company did not have:

1. Requisite number of Non-Executive Directors in terms of Regulation 17(1)(a) of LODR for the period from 01.04.2017 to 21.09.2017;

2. Independent Directors on its Board as required under the provisions of Section 149(4) of the Act and Regulation 17 of LODR for the period from 01.04.2017 to 21.09.2017;

3. Woman Director pursuant to second proviso of sub-section (1) of Section 149 of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of LODR for the period 01.04.2017 to 26.10.2017.

D. We further report that,

II. The Board of Directors of the Company is duly constituted and 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 Companies Act, 2013. However, the Company has not been able to appoint requisite number of (i) Non-Executive Directors; (ii) Independent Directors and (iii) Woman Director as required under the provisions of Section 149 of the Act and Regulation 17 of LODR as mentioned above.

II. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, 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.

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

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

F. We further report that during the audit period

I. the Board of Directors of the Company at its meeting held on 30.01.18 had recommended for the approval of shareholders, the issue of Bonus Shares in the ratio of 1:1 i.e. one new bonus equity share of ₹10/- each for every one equity share of ₹ 10/- each held. Upon approval by the shareholders by way of postal ballot, 485,59,04,964 equity shares of ₹ 10/- each as bonus shares were allotted on 19.03.18 to the eligible shareholders. Consequently, the paid-up share capital of the Company increased from ₹ 4855.90 crore to ₹ 9711.81 crore.

II. the capital clause of the Memorandum & Articles of Association of the Company was suitably amended to accommodate the increase in the Authorised Share Capital from ₹ 6000 Crore to ₹ 15000 Crore.

III. None of the following events has taken place except for those mentioned above:

a. Public / Rights / Preferential Issue of Shares / Debentures / Sweat equity etc.

b. Redemption / Buy Back of securities.

c. Major decisions taken by the members in pursuance to Sec. 180 of the Companies Act, 2013.

d. Merger / Amalgamation / Reconstruction, etc.

e. Foreign Technical Collaboration.

For DHOLAKIA & ASSOCIATES LLP
(Company Secretaries)
Sd/-
CS Bhumitra V. Dholakia
Designated Partner
FCS-977 CP No. 507

Place : Mumbai
Date : 26th June 2018

ANNEXURE-V

Form No. AOC-2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section(1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
1	IndianOil – Adani Gas Pvt. Ltd. (IOAGPL) (a Joint Venture Company in which IndianOil holds 50% equity capital)	Issuance of Corporate Guarantee	5 years	Issuance of a Corporate Guarantee of ₹ 1,010.95 crore to IOAGPL by levying a fee of 0.10 per cent per annum	IOAGPL had sought Corporate Guarantee from both its promoters for obtaining Bank Guarantee from bank for submission to PNGRB for award of authorization for CGD Project in South Goa Geographical Area.	30.01.2018	NIL	Not applicable

2. Details of material contracts or arrangement or transactions at arm's length basis: NIL

For and on behalf of the Board

(Sanjiv Singh)
Chairman
DIN: 05280701

Place: **New Delhi**
Date : **16th July 2018**

ANNEXURE-VI

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 for conservation of energy:

During 2017-18, 133 Energy Conservation Schemes were implemented across Refineries, which resulted in energy savings of 63,093 SRFT, equivalent to savings of ₹149.4 crore. Details of some of the major ENCON Schemes are as under:-

Sl.No.	Particulars	Estimated Cost (₹ in Lakh)	Estimated Fuel Savings (Standard Refinery Fuel Equivalent) MT/Year
1	Augmentation of CDU SR pump capacity to overcome flow restriction problem through E-111 exchanger to improve preheat during HS run at Mathura Refinery	292.0	2340
2	Tuning of BOV in MAB of RFCCU Saving of 5 MT/hr of MP steam at Haldia Refinery	155.0	1500
3	CDU-II Preheat improvement by 9° C (260 to 269 ° C) by Installation of LGO CR exchangers. (in Nov'17 PRM presentation, HR proposed to improve 5 deg pre-heat gain with SRFT of 1785) at Haldia Refinery	509.0	4500
4	CDU-I Preheat improvement by 4° C at Haldia Refinery	4.0	2592
5	Generation of MLP steam in place of LP steam in DHDT R/d steam generator at Panipat Refinery	10.0	1,300
6	Rectification of CO Boiler bypass MOV in RFCCU at Panipat Refinery	7.0	5,100
7	Overhauling and water washing of GT compressor-3 at Panipat Refinery	1100.0	1632
8	Thermal efficiency improvement of AVU-II heater by Stack Temperature Optimization through replacement of Combustion Air bypass damper at Panipat Refinery	1.0	2150
9	Revamp of CDU-I furnace by installing APH at Bongaigaon Refinery	1485.5	1380
10	Capacity augmentation & procurement of new CO-Boiler at Barauni Refinery	3915.0	2982
11	STG condensate routing to CGP-2 Deaerator Pumps at Gujarat Refinery	67.0	1515
12	TPS combining CGP-2 BFP header with TPS BFP header at Gujarat Refinery	34.0	2900
13	Routing of NSU overhead PIC outlet from Flare header to FG header at Gujarat Refinery	2.0	1000
14	VDU pre heat improvement by 7° C at Gujarat Refinery	35.0	1700
15	Reconfiguration of exchanger network and shifting of one set of preheat exchanger from AU-V to AU-IV for better preheat recovery and sustenance at Gujarat Refinery	32.0	1600
16	TPS combining CGP-2 BFP header with TPS BFP header at Gujarat Refinery	34.0	2900
17	Optimization of stripping steam in main crude column in AU-V at Gujarat Refinery	0.0	1830
18	FG firing maximization in CPP by debottlenecking the existing header at Paradip Refinery	103.0	31200

b. In addition, following initiatives/projects are under implementation in various refineries of the Corporation:-

Guwahati Refinery:

- Replacement of low efficiency motors with high efficiency motors in 20 no. of pumps at OM&S.
- Stoppage of 2 CT fans post commissioning of Jet Cooling tower.
- Recovery of Hydrogen from refinery off-gases.

Barauni refinery:

- Closed draining of HSD tanks in CBD instead of OWS.
- Provision for additional duct firing at HRSG I & II.
- Routing of Sour gas from SWS unit to SRU-706 instead of flaring.

Gujarat Refinery:

- AU-1 re-run routing of hot K-8 bottom to MSQ.
- Routing of hot quench water bleed stream in TGTU to sour water header instead of cooled water bleed stream.

Haldia Refinery:

- H_2 Recovery from OHCU HP Rich Amine.
- Blow down Heat Recovery System for 3 nos. HRSG & 4 nos. Boilers.
- Stoppage of Stripping steam to LGO & HGO strippers in CDU I & II under BS-VI scenario and optimization of stripping steam in crude column.

Mathura Refinery:

- Installation of Divided Wall Column in CCRU NSU
- Generation of LP steam from LGO CR in AVU.
- DHDS feed preheating up to 97° C by product rundown, thus reducing the furnace duty.
- Installation of steam generator in DHDS stripper bottom stream.

Digboi Refinery:

- Optimization of Motive Steam in the Vacuum column Overhead Ejector System in VDU by replacing existing Ejectors with new Ejectors.
- Routing of the Vacuum Column Hot-well off-gases and off-gases from Atmospheric column to the LP burner in Crude furnace

Panipat Refinery:

- Scheme for creating provision of MP steam heating in Penex charge heater in place of HP steam.
- Scheme for installation of Thermo-compressor at PTA.
- Use of low temperature Co-Mo catalyst in Hydrogenation Reactor.
- Routing of hot quench water bleed stream in TGTU (Unit no. 26 & 57) to sour water header instead of cooled bleed stream

Bongaigaon Refinery:

- Routing of off-gases from SRN splitter in MSQ to LP burner in fired heater.
- Shifting heat load from Refinery #1 CT to CRU CT by connecting supply and return pipeline and switching off 200 KW Pump motor at Refinery #1 CT.

Paradip Refinery:

- AVU+ DCU damper repair / APH washing post S/D.
- Interconnection between GT HSD forwarding pumps.

c. Steps taken by the Company for utilizing alternate sources of energy

- The Corporation has installed 1.801 MW_p of solar PV across various refineries, installations and office buildings in 2017-18 with a total annual generation capacity of 2.7 million units.
- Further, installation of 13.78 MW_p solar PV including 7.5 MW_p at Paradip refinery, 2.6 MW_p at Guwahati refinery, 1.8 MW_p at Bongaigaon Refinery, 0.75 MW_p at Gujarat refinery, 0.5 MW_p at Haldia refinery and Barauni Refinery each and 100 KW_p at Panipat Naphtha Cracker unit is under progress.
- Total of 1,40,574 conventional lights were replaced with LED lights in 2017-18 in the refineries.

- During the year, the renewable electricity generated from the wind power projects was 308 million units (kWh), which corresponds to an emission reduction of 252 TMTCO_2e (thousand metric tonnes carbon dioxide equivalent).
- The Corporation has commissioned three waste-to-energy plants of 5 tonnes per day capacity each under Swachh Bharat Abhiyan. The total electricity generation from the three plants during the year was 40,054 units (kWh).

B) Efforts made towards Technology Absorption, Adaptation and Innovation

As part of continuous efforts 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 Corporation 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 IndianOil are as follows:-

a. Indigenous Technology

i) **Diesel Hydrotreatment Technology**

Diesel Hydrotreatment technology developed by R&D Centre of IndianOil and licensed jointly with EIL had been implemented at Bongaigaon Refinery for meeting Diesel quality requirements. The technology is under implementation at Haldia Refinery.

ii) **Hexane Hydrogenation Technology**

Hexane Hydrogenation process for production of Food grade Hexane (WHO grade quality), developed by R&D Centre of IndianOil with indigenous catalyst had been successfully implemented at Gujarat Refinery.

iii) **INDAdeptG Technology**

INDAdeptG unit based on technology developed by R&D Centre of IndianOil and licensed jointly with EIL had been implemented at Guwahati Refinery for desulphurisation of cracked gasoline feedstock.

iv) **indDSK Technology**

indDSK technology, developed by R&D Centre of IndianOil and licensed jointly with EIL, is under implementation at Paradip refinery, for production of ultra-low sulphur kerosene (PCK) from kerosene feedstock by hydro desulphurisation.

v) **indJet Technology**

indJet technology, developed by R&D Centre of IndianOil and licensed jointly with EIL is under implementation at Barauni refinery, for production of jet fuel from kerosene feedstock by hydro desulphurisation.

vi) **INDMAX Technology**

INDMAX technology, developed by R&D Centre of IndianOil for converting heavy distillate and residue into LPG/light distillate products, had been implemented successfully at Guwahati, Paradip Refineries and is under implementation at Bongaigaon Refinery

vii) **indSelect Technology**

indSelect technology, developed by R&D Centre of IndianOil, is under implementation at Guwahati Refinery for selective di-olefin saturation of coker naphtha and FCC gasoline.

viii) **Isomerisation Technology**

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

ix) **Naphtha Hydrotreatment Technology**

Naphtha Hydrotreatment technology, developed by R&D Centre of IndianOil and licensed jointly with EIL, is under implementation at Bongaigaon Refinery.

x) **Octamax Technology**

During the current financial year 2017-18, Octamax technology, developed by R&D Centre of IndianOil, has been successfully implemented at Mathura refinery for production of high octane Gasoline blending stream from refinery LPG streams.

b. Imported Technology

i) **Alkylation Technology**

For production of MS, Alkylation technology from M/s Exxon Mobil, USA has been implemented at Paradip Refinery.

ii) **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.

iii) **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 deployed at Gujarat, Mathura and Barauni Refineries.

iv) **Butane Isomerisation Technology**

For production of Alkylate, "Butamer" Technology from M/s UOP, USA has been implemented at Paradip Refinery.

v) **Butene-1 Technology**

For production of Butene-1, technology from M/s Axens, France has been implemented at Gujarat Refinery and at Panipat complex.

vi) **Catalytic Iso-dewaxing Technology at Haldia Refinery**

For improving lube oil quality in line with international standards and augmenting production capability, Iso-dewaxing technology from M/s Mobil, USA has been implemented at Haldia Refinery.

vii) **Catalytic Reforming Technology**

For improvement in Octane number of Motor Spirit, Continuous Catalytic reforming technology from M/s IFP (now Axens), France has been implemented at Mathura & Panipat Refineries. Continuous Catalytic reforming technology from M/s UOP, USA has been implemented at Gujarat and Paradip Refineries and is under implementation at Barauni Refinery. Catalytic reforming technology (CRU) with Russian collaboration has been implemented at Gujarat Refinery and from M/s IFP has been implemented at Haldia, Barauni, Digboi and Bongaigaon Refineries.

viii) **Coker Gas Oil Hydrotreatment Technology**

Coker Gas Oil Hydrotreatment Technology from M/s Axens, France is under implementation at Haldia Refinery under DYIP project.

ix) **Delayed Coker Technology**

For bottom of the barrel upgradation, Delayed Coker technology from M/s ABB Lummus, 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 and also implemented at Paradip Refinery its under implementation at Haldia Refinery under Distillate Yield Improvement (DYIP) Project.

x) **Diesel Hydro Desulphurisation Technology**

Diesel Hydro Desulphurisation (DHDS) Units have been installed at Mathura & Panipat Refineries with technology from M/s IFP (now 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 is under implementation for revamp of DHDS at Mathura Refinery.

xi) **Diesel Hydrotreatment Technology**

Diesel Hydrotreatment (DHDT) Units have been installed at Guwahati, Barauni & Digboi Refineries with technology are from M/s UOP, USA and under implementation at Panipat and Gujarat Refineries. Technology from M/s Axens, France is implemented at Mathura, Panipat and Gujarat Refineries. Technology from M/s Shell Global Solutions, Netherlands is implemented at Paradip Refinery.

xii) **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 is under implementation at Mathura Refinery at CCRU-NSU.

xiii) **Fluidised Catalytic Cracking Technology**

Fluidised Catalytic Cracking (FCC) technology from M/s UOP, USA has been implemented in Gujarat and Mathura Refineries for conversion of Vacuum Gas Oil to LPG, MS and Diesel. Technology from M/s ABB Lummus, USA has been implemented for revamp of FCCU at Mathura Refinery.

xiv) **Hydrocracker Technology**

Full Conversion Hydrocracker Unit (HCU) technologies 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.

xv) **Hydro-finishing Technology for treatment of Paraffin**

Wax / Microcrystalline Wax Process technology from M/s. IFP (now Axens), France for hydro finishing of paraffin wax has been implemented at Digboi refinery.

xvi) **Hydrogen Generation Technology**

Hydrogen generation technology from M/s Linde, Germany was adopted for Hydrogen production and supply to Hydrocracker 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 KTI, the Netherlands has been implemented for Hydrogen generation at Guwahati, Digboi, Mathura and Haldia Refineries. Hydrogen generation technology from M/s Technip Benelux B.V, Netherlands has been implemented at Bongaigaon Refinery under Diesel Quality improvement project.

xvii) **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.

xviii) **Kerosene Hydro Desulphurisation Technology**

Kerosene Hydro Desulphurisation Unit has been installed at Haldia refinery with technology from M/s IFP (now Axens), France. KHDS is also being implemented at Panipat Refinery as a part of BS-VI project.

xix) **LPG Treatment Technology**

Coker LPG Merox Treatment technology from M/s UOP, USA has been implemented at Panipat Refinery and is under implementation at Haldia Refinery under DYIP project. FCC LPG Treatment technology from M/s Mericam, 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.

xx) **MS quality Upgradation Technology**

For MS quality upgradation, Isomerisation technology of M/s UOP, USA have been implemented at Mathura, Panipat and Gujarat Refineries. 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 and Barauni Refineries and is under implementation at Bongaigaon and Barauni Refineries.

xxi) **MTBE Technology**

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

xxii) **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 & Scientific Design, USA have been implemented for downstream polymer plants viz. Poly-Propylene Unit, 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. Ethylene Recovery Technology is from M/s ABB Lummus.

xxiii) **Naphtha Treatment Technology**

FCC Naphtha Treatment Technology from M/s Mericam, USA for removal of Mercaptans and H2S is implemented at Paradip Refinery. Technology for Naphtha Hydrotreating & Fractionating from M/s UOP, USA is implemented at Paradip Refinery.

xxiv) **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.

xxv) **Propylene Recovery Technology**

For recovery of Propylene from LPG,Propylene recovery technology from M/s Basell, Italy is under implementation at Paradip Refinery.

xxvi) **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.

xxvii) **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.

xxviii) **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.

xxix) **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.

xxx) **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.

xxxi) **Sulphur Recovery Technologies for reduction of SO2 emissions**

Refineries at Gujarat, Haldia, Mathura and Barauni are provided with Sulphur Recovery Technology from M/s. Stork Comprimo (now Jacobs), 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, KTI, Spain has been implemented at Haldia Refinery under Once-through Hydrocracker Project. Technology from M/s Jacobs, Netherlands has been implemented under additional Sulphur Recovery Unit at Mathura Refinery. Technology from M/s Lurgi, Germany is under implementation under DYIP project at Haldia Refinery. Technology from M/s Prosernat, France is under implementation at Panipat Refinery.

xxxii) **Technology for Linear Alkyl Benzene (LAB)**

Technology from M/s UOP, USA has been implemented for production of Linear Alkyl Benzene at Gujarat Refinery.

xxxiii) **Technology for Para-Xylene**

For production of Para-Xylene at Panipat, technologies from M/s UOP, USA have been implemented.

xxxiv) **Technology for Purified Terephthalic Acid (PTA)**

For production of PTA at Panipat Refinery, technology from M/s Dupont (now Invista), USA has been implemented.

xxxv) **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.

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 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 pallets form which is more environmental friendly and easier to handle
- Auto Fuel Quality improvement for HSD and MS so that these fuels can conform to BS-IV/BS-VI fuel standards and latest pollution control norms.
- Use of a number of indigenous technologies resulting in import substitution.

d) **Details of technology (imported during the last three years reckoned from the beginning of the financial year):**

i. **<u>BS-IV Projects at Barauni refinery:</u>**

The details of technology imported:

- Technology for desulphurisation of FCC Gasoline at Barauni Refinery from M/s Axens, France
- Technology for Naphtha Hydrotreating and Continuous Catalytic Reforming for production of high octane reformate (MS blend component), from M/s UOP, USA

The year of import: 2015-16

Whether the technology has been fully absorbed: The project is in implementation stage - Expected commissioning by September 2019

ii. **<u>Olefin recovery project at Panipat Naphtha Cracker Complex:</u>**

The details of technology imported- Technology for production of Olefins from RFCC and Coker off-gases at Panipat Naphtha Cracker complex, from M/s Lummus Technology, USA

The year of import: 2015-16

Whether the technology has been fully absorbed: The project is in implementation stage. Expected commissioning by November 2019.

iii. **BS-VI 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 Prosernat, France

The year of import: 2016-17

Whether the technology has been fully absorbed: The project is in implementation stage - Expected commissioning by September 2019

iv. **BS-VI Projects at Gujarat refinery:**

The details of technology imported:

- Technology for desulphurisation of FCC Gasoline at Barauni refinery, from M/s Axens, France
- Technology for desulphurisation of gas oils, from M/s UOP, USA

The year of import: 2016-17

Whether the technology has been fully absorbed: The project is in implementation stage - Expected commissioning by September 2019

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 Prosernat, France
- Technology for production of reformate through Catalytic reforming unit from M/s Axens, France.

The year of import: 2017-18

Whether the technology has been fully absorbed: The project is in implementation stage - Expected commissioning by June 2021

vi. **Barauni Refinery Expansion project**

The details of technology imported:

- Technology for processing Vacuum gasoil in Hydrocracking unit of sulphur 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.

The year of import: 2017-18

Whether the technology has been fully absorbed: The project is in implementation stage - Expected commissioning by March 2022

vii. **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: 2017-18

Whether the technology has been fully absorbed: The project is in implementation stage - Expected commissioning by May 2021

C) Foreign Exchange Earning and Outgo

The total foreign exchange earned and outgo during the year is as under :- ₹ in crore

- Foreign Exchange earned : 22,445
- Foreign Exchange outgo : 2,11,314

D) The areas in which R&D activities were carried out during the year are as under:-

- Development & demonstration of refinery process & technologies
- Licensing & commercialization of R&D developed technologies
- Troubleshooting, revamp and optimization of refinery processes
- Modelling and simulation of refinery processes
- Crude assay and transportation solutions
- Catalysts development for refining and petrochemical processes
- Bituminous products- PMB & CRMB+
- Development of indigenous pigs for monitoring health of pipelines.
- Corrosion, Remaining Life Assessment and Material Failure Analyses,
- Metal Working Tribology and Boundary Lubrication studies
- Fuel-Efficient Lubricant, Greases and Speciality products
- Fuel additives development and commercialization
- Fuel Quality and Emission related Studies
- Biotechnology interventions for refinery ETP & oil spill management
- Conversion of Carbon Dioxide to Valuable Products
- Alternative fuels - HCNG, 2nd & 3rd generation bio-fuels
- Nano-technological interventions for development of fuels and lubricants
- Alternate Energy – Gasification, Hydrogen, Fuel Cell and Solar
- **Expenditure on R&D**

Sl. No.	Particulars	Amount (₹ crore)
(a)	Capital	85.77
(b)	Recurring	230.86
	Total	**316.63**

ANNEXURE-VII

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON 31.03.2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	**L23201MH1959GOI011388**
ii)	Registration Date	**30-06-1959**
iii)	Name of the Company	**Indian Oil Corporation Limited**
iv)	Category / Sub Category of the Company	**Company Limited by Shares / Government Company**
v)	Address of registered office and contact details	**IndianOil Bhavan G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai - 400051 India Phone No. : (022) 26447616 Fax no. : (022) 26447961 Email id : investors@indianoil.in Website : www.iocl.com**
vi)	Whether shares listed	**Yes**
vii)	Name, address and contact details of Registrar & Transfer Agents, if any	**Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032 Phone No. : (040) 6716 2222 Fax no. : (040) 2300 1153 Email id : einward.ris@karvy.com Website : www.karvycomputershare.com**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service *	% to total turnover of the company
1.	Refining	192 – Manufacture of refined petroleum products	95.01%

* As per National Industrial Classification 2008 – Ministry of Statistics and Programme Implementation

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl.No.	Name of the Company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1	Chennai Petroleum Corporation Ltd. 536, Anna Salai, Teynampet Chennai – 600 018	L40101TN1965GOI005389	Subsidiary	51.89	2(87)(ii)
2	Indian Catalyst Pvt. Ltd. Gujarat Refinery – Finance Deptt., Indian Oil Corporation Ltd., P.O. Jawahar Nagar, Vadodara – 391 320	U11201GJ2006PTC048372	Subsidiary	100.00	2(87)(ii)
3	Lanka IOC PLC Level 20, West Tower World Trade Centre Echelon Square Colombo 01, Sri Lanka	NA	Subsidiary	75.12	2(87)(ii)
4	IndianOil (Mauritius) Ltd. Mer Rouge, Port Louis, Mauritius	NA	Subsidiary	100.00	2(87)(ii)

Sl.No.	Name of the Company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable section
5	IOC Middle East FZE Jebel Ali Free Zone Dubai, United Arab Emirates	NA	Subsidiary	100.00	2(87)(ii)
6	IOC Sweden, AB Sergels Torg 12, Stockholm, Sweden	NA	Subsidiary	100.00	2(87)(ii)
7	IOC (USA) INC. 800 Brazos Street, Suite 400, Austin, Texas, USA	NA	Subsidiary	100.00	2(87)(ii)
8	IndOil Global B.V., Strawinskylaan 9371077 XX Amsterdam, The Netherlands	NA	Subsidiary	100.00	2(87)(ii)
9	IOC Singapore Pte. Ltd. 8, Cross Street, #24-03/04, PWC Building, Singapore 048424	NA	Subsidiary	100.00	2(87)(ii)
10	IOT Infrastructure & Energy Services Ltd. Plot No Y2, CTS 358, A/2, Village Bhandup, Near Nahur Stn, Bhandup (West), Mumbai – 400 078	U23200MH1996PLC102222	Associate	49.38	2(6)
11	Lubrizol India Pvt. Ltd. 9/3 Thane Belapur Road, Turbhe, Navi Mumbai, Thane-400 705	U23201MH1966PTC013538	Associate	26.00	2(6)
12	IndianOil Petronas Pvt. Ltd. ACROPOLIS, 12th Floor, Unit I&II, Premises No.1858/1 Rajdanga Main Road, Kolkata -700 107	U74899WB1998PTC219339	Associate	50.00	2(6)
13	Avi-Oil India Pvt. Ltd. 608, Surya Kiran Building 19, Kasturba Gandhi Marg, New Delhi – 110 001	U23201DL1993PTC190652	Associate	25.00	2(6)
14	Petronet VK Ltd. Marine Tank Farm, Reliance Industries Limited, Dist. Jamnagar, Sikka – 361140	U23200GJ1998PLC034144	Associate	50.00	2(6)
15	Petronet LNG Ltd. 1st Floor, World Trade Centre, Babar Road, New Delhi – 110 001	L74899DL1998PLC093073	Associate	12.50	2(6)
16	Petronet India Ltd. BPCL Sewree A/K Installation Sewree Fort Road, Sewree (East) Mumbai – 400 015	U45203MH1997PLC108251	Associate	18.00	2(6)
17	Green Gas Ltd. Fortuna Towers, 2nd Floor, 10, Rana Pratap Marg, Lucknow – 226 001	U23201UP2005PLC030834	Associate	49.97	2(6)
18	IndianOil Skytanking Pvt. Ltd. Fuel Farm Facility, Bangalore International Airport, Devanahalli Bangalore – 560 300	U11202KA2006PTC040251	Associate	50.00	2(6)
19	Suntera Nigeria 205 Ltd. No. 2, Siji Soetan Street Off Onikepo Akande Street Off Admiralty Way Lekki Pennisula Phase 1 Lagos, Nigeria	NA	Joint Venture	25.00	2(6)
20	Delhi Aviation Fuel Facility Pvt. Ltd. Aviation Fuelling Station, Shahbad Mohammadpur IGI Airport, New Delhi – 110 061	U74999DL2009PTC193079	Associate	37.00	2(6)

Sl.No.	Name of the Company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable section
21	Indian Synthetic Rubber Private Ltd. 10th Floor, Core-2, North Tower, SCOPE Minar, Laxmi Nagar, District Centre, Delhi-110092	U25190DL2010PTC205324	Associate	50.00	2(6)
22	IndianOil Ruchi Biofuels LLP 9th Floor, IndianOil Bhavan, No-1 Shri Aurobindo Marg, Yusuf Sarai, New Delhi – 110 016	LLP IN : AAA-1445	Joint Venture	50.00	2(6)
23	NPCIL – IndianOil Nuclear Energy Corporation Ltd. 16th Floor, Centre-1, World Trade Centre, Cuffe Parade, Colaba, Mumbai – 400 005	U40104MH2011GOI215870	Associate	26.00	2(6)
24	GSPL India Transco Ltd. GSPC Bhavan B/H Udyog Bhavan, Sector-11 Gandhinagar Gujarat – 382 011	U40200GJ2011SGC067450	Associate	26.00	2(6)
25	GSPL India Gasnet Ltd. GSPC Bhavan B/H Udyog Bhavan, Sector-11 Gandhinagar, Gujarat – 382 011	U40200GJ2011SGC067449	Associate	26.00	2(6)
26	IndianOil Adani Gas Pvt. Ltd. Howe India House, 2nd Floor, 81, Nehru Place, New Delhi-110 019	U40300DL2013PTC258690	Associate	50.00	2(6)
27	Mumbai Aviation Fuel Farm Facility Pvt. Ltd. Opposite ITC Maratha, Sahar Police Station Road, CSI Airport, Sahar, Andheri(East) Mumbai- 400 099	U63000MH2010PTC200463	Associate	25.00	2(6)
28	Kochi Salem Pipelines Private Ltd., Malayil Majesty Buildings, Room No. 174-G, Second Floor, Tripunnithura Kochi, Ernakulam-682 301	U40300KL2015PTC037849	Associate	50.00	2(6)
29	IndianOil Panipat Power Consortium Ltd. H-1/ 204, 2nd Floor, Vikramaditya Tower, Alaknanda Shopping Complex, New Delhi – 110 019	U74899DL1999PLC101853	Associate	50.00	2(6)
30	Petronet CI Ltd. C/o Indian Oil Corporation Ltd Koyali-Ahmedabad Pipeline P O Jawahar Nagar Vadodara - 391 320	U23201GJ2000PLC039031	Associate	26.00	2(6)
31	IndianOil LNG Pvt. Ltd. IndianOil Bhavan, 139, Nungambakkam High Road, Chennai – 600 034	U23200TN2015PTC100731	Associate	50.00	2(6)
32	Hindustan Urvarak & Rasayan Ltd. Coal Bhawan- Coal India Ltd., 7th Floor, Plot No. AF-III, Action area-1A, New Town, Kolkata- 700 156	U24100WB2016PLC216175	Associate	29.67	2(6)
33	Ratnagiri Refinery & Petrochemicals Ltd. The IL&FS Financial Centre, 5th Floor, B-Wing, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai- 400 051	U23200MH2017PLC300014	Associate	50.00	2(6)

IV. SHARE HOLDING PATTERN (equity Share Capital break-up as percentage of total equity):

i) Category-wise Shareholding:

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of Total Shares	
(A)	**Promoters**									
(1)	**Indian**									
a)	Individual / HUF	-	-	-	-	-	-	-	-	-
b)	Central Govt.	2784280657	-	2784280657	57.34	5533436444	-	5533436444	56.98	(0.36)
c)	State Govt(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corp.	-	-	-	-	-	-	-	-	-
e)	Banks/FI	-	-	-	-	-	-	-	-	-
f)	Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)		**2784280657**	**-**	**2784280657**	**57.34**	**5533436444**	**-**	**5533436444**	**56.98**	**(0.36)**
(2)	**Foreign**									
a)	NRIs – Individuals	-	-	-	-	-	-	-	-	-
b)	Others – Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corp.	-	-	-	-	-	-	-	-	-
d)	Banks / FI	-	-	-	-	-	-	-	-	-
e)	Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**2784280657**	**-**	**2784280657**	**57.34**	**5533436444**	**-**	**5533436444**	**56.98**	**(0.36)**
(B)	**Public Share-holding**									
(1)	**Institutions**									
a)	Mutual Funds	164679421	11988	164691409	3.39	401260280	18192	401278472	4.13	0.74
b)	Banks / FI	5727996	25326	5753322	0.12	8464052	40964	8505016	0.09	(0.03)
c)	Central Govt.	-	-	-	-	-	-	-	-	-
d)	State Govt(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	397067403	2600	397070003	8.18	593162602	4800	593167402	6.11	(2.07)
g)	FIIs	260058279	-	260058279	5.36	598243782	-	598243782	6.16	0.80
h)	Foreign Venture Capital	-	-	-	-	-	-	-	-	-
i)	Funds Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)		**827533099**	**39914**	**827573013**	**17.04**	**1601130716**	**63956**	**1601194672**	**16.49**	**(0.56)**

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of Total Shares	
(2)	**Non-Institutions**									
a)	Bodies Corp.	965726973	44170	965771143	19.89	1964783732	77400	1964861132	20.23	0.34
b)	Individuals									
i.	Individual Shareholders holding nominal share capital upto Rs. 2 lakh	106934238	14533437	121467675	2.50	247899816	24881491	272781307	2.81	0.31
ii.	Individual Shareholders holding nominal share capital in excess of Rs. 2 lakh	13498792	54528	13553320	0.28	58146872	337760	58484632	0.60	0.32
c)	Others (specify)	-	-	-	-	-	-	-	-	-
	Clearing Members	14997879	-	14997879	0.31	6327564	-	6327564	0.07	(0.24)
	Foreign Nationals	995	-	995	0.00	200	-	200	0.00	0.00
	Governor of Gujarat	-	5400000	5400000	0.11	-	10800000	10800000	0.11	-
	IEPF	-	-	-	-	938588	-	938588	0.01	0.01
	NBFC	124585	-	124585	0.00	5119607	-	5119607	0.05	0.05
	Non Resident Indians	1131994	240052	1372046	0.03	2744256	341536	3085792	0.03	0.00
	Trusts	120797656	-	120797656	2.49	252585048	-	252585048	2.60	0.11
Sub-total (B)(2)		**1223779007**	**20272287**	**1244051294**	**25.62**	**2540740625**	**36438187**	**2577178812**	**26.54**	**0.92**
	Total Public Shareholding (B) = (B)(1)+(B)(2)	**2051312106**	**20312201**	**2071624307**	**42.66**	**4141871341**	**36502143**	**4178373484**	**43.02**	**0.36**
(C)	**Shares held by custodian for GDRs & ADRs**	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)		**4835592763**	**20312201**	**4855904964**	**100.00**	**9675307785**	**36502143**	**9711809928**	**100.00**	-

ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	President of India	2784280657	57.34	-	5533436444	56.98	-	(0.36)
	TOTAL	**2784280657**	**57.34**	**-**	**5533436444**	**56.98**	**-**	**(0.36)**

iii) Change in Promoters' Shareholding

Sl. No.	Name	Date	Remarks	Shareholding		Cumulative Shareholding	
				No. of shares	%	No. of shares	%
1.	President of India	01-Apr-17	Opening Balance	-	-	2784280657	57.34
		17- Nov-17	Disinvestment of Shares-Bharat 22 ETF	(16584750)	(0.34)	2767695907	57.00
		24-Nov-17	Disinvestment of Shares-Bharat 22 ETF	(977685)	(0.02)	2766718222	56.98
		23-Mar-18	Bonus shares issued	2766718222	-	5533436444	56.98
		31-Mar-18	Closing balance	-	-	5533436444	56.98

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl . No.	Name of the Share Holder	Date	Remarks	Change in Shareholding		Cumulative Shareholding during the Year	
				No. of Shares	%	No. of Shares	%
1	OIL AND NATURAL GAS CORPORATION LTD.	01-Apr-17	Opening Balance	-	-	668607628	13.77
		23- Mar-18	Bonus	668607628	-	1337215256	13. 77
		31- Mar-18	Closing Balance	-	-	1337215256	13.77
2	LIFE INSURANCE CORPORATION OF INDIA	01-Apr-17	Opening Balance	-	-	375354812	7.73
		07- Apr-17	Sale (Net)	(4043227)	(0.08)	371311585	7.65
		14- Apr-17	Sale(Net)	(4419982)	(0.09)	366891603	7.56
		21-Apr-17	Sale(Net)	(1095265)	(0.02)	365796338	7.53
		02 -Jun-17	Sale(Net)	(1346919)	(0.03)	364449419	7.51
		09 -Jun-17	Sale(Net)	(2865509)	(0.06)	361583910	7.45
		16 -Jun-17	Sale(Net)	(3471864)	(0.07)	358112046	7.37
		23 -Jun-17	Sale(Net)	(456624)	(0.01)	357655422	7.37
		30 -Jun-17	Sale(Net)	(1243128)	(0.03)	356412294	7.34
		07 –Jul-17	Sale(Net)	(113947)	(0.00)	356298347	7.34
		14 –Jul-17	Sale(Net)	(1938430)	(0.04)	354359917	7.30
		21 –Jul-17	Sale(Net)	(4848453)	(0.10)	349511464	7.20
		28 –Jul-17	Sale(Net)	(5352962)	(0.11)	344158502	7.09
		04- Aug-17	Sale(Net)	(6794029)	(0.14)	337364473	6.95
		11 - Aug-17	Sale(Net)	(3004556)	(0.06)	334359917	6.89
		18 - Aug-17	Sale(Net)	(884136)	(0.02)	333475781	6.87
		25 - Aug-17	Sale(Net)	(3643599)	(0.08)	329832182	6.79
		01-Sep-17	Sale(Net)	(4093570)	(0.08)	325738612	6.71
		08-Sep-17	Sale(Net)	(6296357)	(0.13)	319442255	6.58
		15-Sep-17	Sale(Net)	(3241252)	(0.07)	316201003	6.51
		22-Sep-17	Sale(Net)	(4829932)	(0.10)	311371071	6.41
		06- Oct-17	Sale(Net)	(251586)	(0.01)	311119485	6.41
		13 - Oct-17	Sale(Net)	(8646542)	(0.18)	302472943	6.23
		20 - Oct-17	Sale(Net)	(3582765)	(0.07)	298890178	6.16
		27 - Oct-17	Sale(Net)	(6814601)	(0.14)	292075577	6.01
		31 - Oct-17	Sale(Net)	(1904503)	(0.04)	29017 1074	5.98

Sl. No.	Name of the Share Holder	Date	Remarks	Change in Shareholding		Cumulative Shareholding during the Year	
				No. of Shares	%	No. of Shares	%
		03 - Nov-17	Sale(Net)	(4032085)	(0.08)	286138989	5.89
		10 - Nov-17	Sale(Net)	(6332373)	(0.13)	279806616	5.76
		17 - Nov-17	Sale(Net)	(168076)	(0.00)	279638540	5.76
		24 - Nov-17	Sale(Net)	(2912284)	(0.06)	276726256	5.70
		01 - Dec-17	Sale(Net)	(1669309)	(0.03)	275056947	5.66
		29 –Dec-17	Sale(Net)	(3014301)	(0.06)	272042646	5.60
		05 –Jan-18	Sale(Net)	(2039793)	(0.04)	270002853	5.56
		12 –Jan-18	Sale(Net)	(2861417)	(0.06)	267141436	5.50
		19 –Jan-18	Sale(Net)	(2132476)	(0.04)	265008960	5.46
		23 –Mar-18	Bonus	265008960	-	530017920	5.46
		31 –Mar-18	Closing Balance	-	-	530017920	5.46
3	OIL INDIA LTD.	01-Apr-17	Opening Balance	-	-	242795248	5.00
		23 –Mar-18	Bonus	242795248	-	485590496	5.00
		31 –Mar-18	Closing Balance	-	-	485590496	5.00
4	IOC SHARES TRUST	01 -Apr-17	Opening Balance	-	-	116559228	2.40
		23 –Mar-18	Bonus	116559228	-	233118456	2.40
		31 –Mar-18	Closing Balance	-	-	233118456	2.40
5	CPSE ETF	01 -Apr-17	Opening Balance	-	-	36375833	0.75
		07 -Apr-17	Sale(Net)	(233244)	(0.00)	36142589	0.74
		14 -Apr-17	Sale(Net)	(265716)	(0.01)	35876873	0.74
		21 -Apr-17	Sale(Net)	(1560600)	(0.03)	34316273	0.71
		28 -Apr-17	Sale(Net)	(723600)	(0.01)	33592673	0.69
		05 -May-17	Sale(Net)	(385550)	(0.01)	33207123	0.68
		12 -May-17	Sale(Net)	(1795500)	(0.04)	31411623	0.65
		19 -May-17	Sale(Net)	(5400)	(0.00)	31406223	0.65
		26 -May-17	Sale(Net)	(1654465)	(0.03)	29751758	0.61
		02–Jun-17	Sale(Net)	(1053391)	(0.02)	28698367	0.59
		09 –Jun-17	Sale(Net)	(42912)	(0.00)	28655455	0.59
		16–Jun-17	Sale(Net)	(42912)	(0.00)	28612543	0.59
		23 –Jun-17	Sale(Net)	(112644)	(0.00)	28499899	0.59
		30 –Jun-17	Sale(Net)	(22797)	(0.00)	28477102	0.59
		07 –Jul-17	Purchase(Net)	1015137	0.02	29492239	0.61
		14 –Jul-17	Sale(Net)	(44352)	(0.00)	29447887	0.61
		21 –Jul-17	Sale(Net)	(336000)	(0.01)	29111887	0.60
		28 –Jul-17	Sale(Net)	(10752)	(0.00)	29101135	0.60
		04- Aug-17	Sale(Net)	(38976)	(0.00)	29062159	0.60
		11 - Aug-17	Sale(Net)	(168000)	(0.00)	28894159	0.60
		18 - Aug-17	Sale(Net)	(33600)	(0.00)	28860559	0.59
		25 - Aug-17	Sale(Net)	(1516032)	(0.03)	27344527	0.56
		01-Sep-17	Sale(Net)	(1542912)	(0.03)	25801615	0.53
		08-Sep-17	Sale(Net)	(71232)	(0.00)	25730383	0.53
		15-Sep-17	Sale(Net)	(1429149)	(0.03)	24301234	0.50
		22-Sep-17	Sale(Net)	(4035)	(0.00)	24297199	0.50
		29-Sep-17	Sale(Net)	(57835)	(0.00)	24239364	0.50
		06- Oct-17	Sale(Net)	(20844)	(0.00)	24218520	0.50
		13- Oct-17	Sale(Net)	(67027)	(0.00)	24151493	0.50
		20 - Oct-17	Sale(Net)	(116100)	(0.00)	24035393	0.49
		27 - Oct-17	Sale(Net)	(220600)	(0.00)	23814793	0.49
		31 - Oct-17	Sale(Net)	(85050)	(0.00)	23729743	0.49
		03-Nov-17	Sale(Net)	(75600)	(0.00)	23654143	0.49
		10 -Nov-17	Sale(Net)	(103950)	(0.00)	23550193	0.48
		17 -Nov-17	Sale(Net)	(86362)	(0.00)	23463831	0.48
		24 -Nov-17	Sale(Net)	(25764)	(0.00)	23438067	0.48
		01-Dec-17	Sale(Net)	(11126)	(0.00)	23426941	0.48
		08 -Dec-17	Sale(Net)	(11728)	(0.00)	23415213	0.48
		15 -Dec-17	Sale(Net)	(24444)	0.00	23390769	0.48
		22 -Dec-17	Sale(Net)	(101850)	(0.00)	23288919	0.48
		29 -Dec-17	Sale(Net)	(23086)	(0.00)	23265833	0.48

Sl. No.	Name of the Share Holder	Date	Remarks	Change in Shareholding		Cumulative Shareholding during the Year	
				No. of Shares	%	No. of Shares	%
		05- Jan-18	Purchase(Net)	52962	0.00	23318795	0.48
		12 - Jan-18	Sale(Net)	(85554)	(0.00)	23233241	0.48
		19 - Jan-18	Sale(Net)	(29876)	(0.00)	23203365	0.48
		26 - Jan-18	Sale(Net)	(65184)	(0.00)	23138181	0.48
		02- Feb-18	Sale(Net)	(334643)	(0.01)	22803538	0.47
		09 - Feb-18	Sale(Net)	(84382)	(0.00)	22719156	0.47
		16 - Feb-18	Sale(Net)	(16332)	(0.00)	22702824	0.47
		23 - Feb-18	Purchase(Net)	192172	0.00	22894996	0.47
		02 - Mar-18	Sale(Net)	(65099)	(0.00)	22829897	0.47
		09 - Mar-18	Purchase(Net)	181965	0.00	23011862	0.47
		16 - Mar-18	Sale(Net)	(23443)	(0.00)	22988419	0.47
		23 - Mar-18	Bonus	22988419	-	45976838	0.47
		23 - Mar-18	Purchase(Net)	154754	0.00	46131592	0.48
		30 - Mar-18	Purchase(Net)	60896	0.00	46192488	0.48
		31 - Mar-18	Closing Balance	-	-	46192488	0.48
6	VANGUARD EMERGING MKT. STOCK INDEX FUND	01-Apr-17	Opening Balance	-	-	-	-
		23- Mar-18	Purchase(Net)	36773285	0.38	36773285	0.38
		30- Mar-18	Sale(Net)	(173800)	(0.00)	36599485	0.38
		31-Mar-18	Closing Balance	-	-	36599485	0.38
7	ICICI PRUDENTIAL LIFE INSURANCE CO. LTD.	01- Apr-17	Opening Balance	-	-	5219391	0.11
		07- Apr-17	Purchase	1259608	0.03	6478999	0.13
		14- Apr-17	Sale(Net)	(15266)	(0.00)	6463733	0.13
		21- Apr-17	Purchase(Net)	105519	0.00	6569252	0.14
		28-Apr-17	Purchase(Net)	139239	0.00	6708491	0.14
		05-May-17	Purchase(Net)	184667	0.00	6893158	0.14
		12-May-17	Sale(Net)	(274960)	(0.01)	6618198	0.14
		19 -May-17	Sale(Net)	(17621)	(0.00)	6600577	0.14
		26 -May-17	Sale(Net)	(381345)	(0.01)	6219232	0.13
		02 –Jun-17	Sale(Net)	(210757)	(0.00)	6008475	0.12
		09–Jun-17	Sale(Net)	(16639)	(0.00)	5991836	0.12
		16 –Jun-17	Purchase(Net)	9612	0.00	6001448	0.12
		23 –Jun-17	Sale(Net)	(8353)	(0.00)	5993095	0.12
		30–Jun-17	Sale(Net)	(314228)	(0.01)	5678867	0.12
		07 –Jul-17	Purchase(Net)	5870	0.00	5684737	0.12
		14 –Jul-17	Purchase(Net)	245983	0.01	5930720	0.12
		21 –Jul-17	Sale(Net)	(137489)	(0.00)	5793231	0.12
		28 –Jul-17	Sale(Net)	(180338)	(0.00)	5612893	0.12
		04- Aug-17	Purchase(Net)	556213	0.01	6169106	0.13
		11 - Aug-17	Purchase(Net)	2440086	0.05	8609192	0.18
		18 - Aug-17	Purchase(Net)	3998	0.00	8613190	0.18
		25 - Aug-17	Purchase(Net)	368374	0.01	8981564	0.18
		01-Sep-17	Sale(Net)	(487003)	(0.01)	8494561	0.17
		08-Sep-17	Sale(Net)	(1133764)	(0.02)	7360797	0.15
		15-Sep-17	Sale(Net)	(973502)	(0.02)	6387295	0.13
		22-Sep-17	Purchase(Net)	4253	0.00	6391548	0.13
		29-Sep-17	Sale(Net)	(72983)	(0.00)	6318565	0.13
		06- Oct-17	Purchase(Net)	198936	0.00	6517501	0.13
		13 - Oct-17	Sale(Net)	(4360)	(0.00)	6513141	0.13
		20 - Oct-17	Purchase(Net)	28107	0.00	6541248	0.13
		27 - Oct-17	Sale(Net)	(95788)	(0.00)	6445460	0.13
		31 - Oct-17	Purchase(Net)	3782	0.00	6449242	0.13
		03 –Nov-17	Purchase(Net)	765	0.00	6450007	0.13
		10 –Nov-17	Purchase(Net)	1942	0.00	6451949	0.13
		17 –Nov-17	Sale(Net)	(73746)	(0.00)	6378203	0.13
		24 –Nov-17	Sale(Net)	(6797)	(0.00)	6371406	0.13
		01- Dec-17	Sale(Net)	(74014)	(0.00)	6297392	0.13
		08 - Dec-17	Sale(Net)	(16924)	(0.00)	6280468	0.13
		15 - Dec-17	Purchase(Net)	3421	(0.00)	6283889	0.13
		22 - Dec-17	Purchase(Net)	1223904	0.03	7507793	0.15
		29 - Dec-17	Purchase(Net)	1494755	0.03	9002548	0.19

Sl . No.	Name of the Share Holder	Date	Remarks	Change in Shareholding		Cumulative Shareholding during the Year	
				No. of Shares	%	No. of Shares	%
		05- Jan-18	Sale(Net)	(111244)	(0.00)	8891304	0.18
		12 - Jan-18	Purchase(Net)	2709740	0.06	11601044	0.24
		19 - Jan-18	Purchase(Net)	2767743	0.06	14368787	0.30
		26 - Jan-18	Purchase(Net)	1293962	0.03	15662749	0.32
		02- Feb-18	Purchase(Net)	3906	0.00	15666655	0.32
		09- Feb-18	Purchase(Net)	414441	0.01	16081096	0.33
		16- Feb-18	Purchase(Net)	189968	0.00	16271064	0.34
		23- Feb-18	Purchase(Net)	505369	0.01	16776433	0.35
		02- Mar-18	Sale(Net)	(167505)	(0.00)	16608928	0.34
		09 - Mar-18	Purchase(Net)	96517	0.00	16705445	0.34
		16 - Mar-18	Purchase(Net)	3991	0.00	16709436	0.34
		23 - Mar-18	Bonus	16709436	-	33418872	0.34
		23 - Mar-18	Purchase(Net)	180894	0.00	33599766	0.35
		30 - Mar-18	Purchase(Net)	405213	0.00	34004979	0.35
		31 - Mar-18	Closing Balance	-	-	34004979	0.35
8	ICICI PRUDENTIAL VALUE DISCOVERY FUND	01 –Apr-17	Opening Balance	-	-	10127600	0.21
		07-Apr-17	Purchase(Net)	500000	0.01	10627600	0.22
		21- Jul-17	Purchase(Net)	2123798	0.04	12751398	0.26
		28- Jul-17	Purchase(Net)	2494173	0.05	15245571	0.31
		23-Mar-18	Bonus	15245571	-	30491142	0.31
		31- Mar-18	Closing Balance	-	-	30491142	0.31
9	NOMURA INDIA INVESTMENT FUND	01- Apr-17	Opening Balance	-	-	9505460	0.20
		30- Jun-17	Purchase(Net)	1016816	0.02	10522276	0.22
		01-Sep-17	Purchase(Net)	2355694	0.05	12877970	0.27
		15-Sep-17	Purchase(Net)	1150350	0.02	14028320	0.29
		03- Nov-17	Purchase(Net)	1881281	0.04	15909601	0.33
		17- Nov-17	Purchase(Net)	1913502	0.04	17823103	0.37
		09- Mar-18	Sale(Net)	(600000)	(0.01)	17223103	0.35
		16- Mar-18	Sale(Net)	(2000000)	(0.04)	15223103	0.31
		23- Mar-18	Bonus	15223103	-	30446206	0.31
		31-Mar-18	Closing Balance	-	-	30446206	0.31
10	VANGUARD TOTAL INTL. STOCK INDEX FUND	01- Apr-17	Opening Balance	13534955	-	13534955	0.28
		07 –Apr-17	Purchase(Net)	57595	0.00	13592550	0.28
		21-Apr-17	Purchase(Net)	91101	0.00	13683651	0.28
		05 -May -17	Purchase(Net)	75287	0.00	13758938	0.28
		21- Jul-17	Purchase(Net)	82218	0.00	13841156	0.29
		25- Aug-17	Purchase(Net)	76432	0.00	13917588	0.29
		01-Sep-17	Purchase(Net)	72501	0.00	13990089	0.29
		27- Oct-17	Purchase(Net)	157682	0.00	14147771	0.29
		24-Nov-17	Purchase(Net)	86082	0.00	14233853	0.29
		08- Dec-17	Purchase(Net)	63585	0.00	14297438	0.29
		15- Dec-17	Purchase(Net)	21345	0.00	14318783	0.29
		05-Jan-18	Purchase(Net)	81547	0.00	14400330	0.30
		19-Jan-18	Purchase(Net)	107636	0.00	14507966	0.30
		16- Feb-18	Purchase(Net)	121800	0.00	14629766	0.30
		09-Mar-18	Purchase(Net)	99761	0.00	14729527	0.30
		23- Mar-18	Bonus	14729527	-	29459054	0.30
		31- Mar-18	Closing Balance	-	-	29459054	0.30

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Date	Remarks	Change in Shareholding		Cumulative Shareholding	
				No. of Shares	%	No. of Shares	%
1	Shri Sanjiv Singh	01-Apr-17	Opening balance	-	-	9486	-
	Chairman	23-Mar-18	Bonus shares	9486	-	18972	-
		31-Mar-18	Closing balance	-	-	18972	-
2	Shri A. K. Sharma	01-Apr-17	Opening balance	-	-	3786	-
	Director (Finance)	23-Mar-18	Bonus shares	3786	-	7572	-
		31-Mar-18	Closing balance	-	-	7572	-
3.	Shri Anish Aggarwal	01-Apr-17	Opening balance	-	-	6086	-
	Director(Pipelines)	23-Mar-18	Bonus shares	6086	-	12172	-
		31-Mar-18	Closing balance	-	-	12172	-
4	Shri G. K. Satish	01-Apr-17	Opening balance	-	-	1086	-
	Director (P&BD)	23-Mar-18	Bonus shares	1086	-	2172	-
		31-Mar-18	Closing balance	-	-	2172	-
5	Dr. S. S. V. Ramakumar	01-Apr-17	Opening balance	-	-	4400	-
	Director (R&D)	23-Mar-18	Bonus shares	4400	-	8800	-
		31-Mar-18	Closing balance	-	-	8800	-
6	Shri B.V. Rama Gopal	12-Feb-18	Opening balance	-	-	8690	-
	Director (Refineries)	23-Mar-18	Bonus shares	8690	-	17380	
		31-Mar-18	Closing balance	-	-	17380	-
7	Shri Ranjan Kumar Mohapatra	19-Feb-18	Opening balance	-	-	4800	-
		23-Mar-18	Bonus shares	4800	-	9600	-
	Director (HR)	31-Mar-18	Closing balance	-	-	9600	-
8	Smt. Urvashi Sadhwani	27-Oct-17	Opening balance	-	-	-	-
	Govt. Nominee Director	31-Mar-18	Closing balance	-	-	-	-
9	Shri Ashutosh Jindal	01-Apr-17	Opening balance	-	-	-	-
	Govt. Nominee Director	31-Mar-18	Closing balance	-	-	-	-
10	Shri Sanjay Kapoor	01-Apr-17	Opening balance	-	-	-	-
	Independent Director	31-Mar-18	Closing balance	-	-	-	-
11	Shri Parindu K. Bhagat	01-Apr-17	Opening balance	-	-	-	-
	Independent Director	31-Mar-18	Closing balance	-	-	-	-
12	Shri Vinoo Mathur	22-Sept-17	Opening balance	-	-	-	-
	Independent	31-Mar-18	Closing balance	-	-	-	-
13	Shri Samirendra Chatterjee	22-Sept-17	Opening balance	-	-	-	-
	Independent Director	31-Mar-18	Closing balance	-	-	-	-
14	Shri Vivek Rae	22-Sept-17	Opening balance	-	-	-	-
	Independent Director	31-Mar-18	Closing balance	-	-	-	-
15	Shri C. R. Biswal	22-Sept-17	Opening balance	-	-	-	-
	Independent Director	31-Mar-18	Closing balance	-	-	-	-

Sl. No.	Name	Date	Remarks	Change in Shareholding		Cumulative Shareholding	
				No. of Shares	%	No. of Shares	%
16	Dr. Jagdish Kishwan	22-Sept-17	Opening balance	-	-	-	-
	Independent Director	31-Mar-18	Closing balance	-	-	-	-
17	Shri Sankar Chakraborti Independent Director	22-Sept-17	Opening balance	-	-	-	-
		31-Mar-18	Closing balance	-	-	-	-
18	Shri D. S. Shekhawat	22-Sept-17	Opening balance	-	-	-	-
	Independent Director	31-Mar-18	Closing balance	-	-	-	-
19	Shri Kamal Kumar Gwalani	01-Sept-17	Opening balance	-	-	1000	-
	Company Secretary	23-Mar-18	Bonus shares	1000	-	2000	-
		31-Mar-18	Closing balance	-	-	2000	-

V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ in Crore)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal amount	14242	40578	-	54820
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	**14242**	**40578**	**-**	**54820**
Change in Indebtedness during the financial year				
Addition	11118	93804	-	104922
Reduction	10635	91077	-	101712
Net Change	**483**	**2727**	**-**	**3210**
Indebtedness at the end of the financial year				
i. Principal amount	14725	43305	-	58030
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	**14725**	**43305**	**-**	**58030**

Note: As per IND AS, interest accrued forms part of the Loan itself. Hence it is not shown separately.

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of the Director										
		Sanjiv Singh	A. K. Sharma	Anish Aggarwal	G. K. Satish	S. S. V. Rama-kumar	B. V. Rama Gopal	Ranjan Kumar Mohapatra	B. Ashok	V. Cherian	B.S. Canth	Total
1.	**Gross salary**											
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	7919212	7657108	13235668	6204860	5698486	922773	892160	953451	8643575	9943543	66070835
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	1194499	1012990	1578520	1027747	754077	92525	51953	2138288	1492873	1716894	11060366
	(c) Profits in lieu of salary under section 17(3) of Income-Tax Act, 1961	-	-	-	-	-	-	-	-	-	-	-
2.	**Stock Option**	-	-	-	-	-	-	-	-	-	-	-
3.	**Sweat Equity**	-	-	-	-	-	-	-	-	-	-	-
4.	**Commission**	-	-	-	-	-	-	-	-	-	-	-
	- as % of profit	-	-	-	-		-	-	-	-	-	
	- Others *(please specify)*	-	-	-	-	-	-	-	-	-	-	-
5.	**Others *(please specify)***	-	-	-	-	-	-	-	-	-	-	-
	Total (A)	**9113711**	**8670098**	**14814188**	**7232607**	**6452563**	**1015298**	**944113**	**7091739**	**10136448**	**11660437**	**77131201**
	Ceiling as per Act	**₹ 2841 Crore (being 10% of the net profit of the Company calculated as per Section 198 of the Companies Act 2013)**										

Remarks:

Shri B. V. Rama Gopal was inducted on Board w.e.f.12.02.18

Shri Ranjan Kumar Mohapatra was inducted on Board w.e.f.19.02.18

Shri B. Ashok ceased to be Chairman w.e.f. 01.06.17

Shri Verghese Cherian ceased to be Director w.e.f. 01.11.17

Shri B.S. Canth ceased to be Director w.e.f.01.02.18

Note:

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.

During the year no Stock Options were issued by the Company to Whole-time Directors.

The terms of appointment of the whole-time Directors, as issued by the Government of India, provides for 3 months notice period or salary in lieu thereof for severance of service.

The remuneration does not include the provision made for retirement benefit / leave encashment / long service awards / post retirement benefits based on actuarial valuation as the same are not separately ascertainable for individual directors.

B. Remuneration to other Directors:

(Amount in ₹)

Sl.No.	Particulars of Remuneration	Name of Director											
		Sanjay Kapoor	Parindu Bhagat	Vinoo Mathur *	Samirendra Chatterjee *	Vivek Rae *	C.R. Biswal *	Jagdish Kishwan *	Sankar Chakraborti *	D. S. Shekhawat *	Subroto Bagchi #	B. Mahadevan @	Total
1.	Independent Directors	1642200	1522200	480000	360000	400000	400000	480000	480000	480000	482400	200000	6926800
	- Fee for attending Board Committee meetings	-	-	-	-	-	-	-	-	-	-	-	-
	- Commission	-	-	-	-	-	-	-	-	-	-	-	-
	- Others (please specify)	-	-	-	-	-	-	-	-	-	-	-	-
	Total (1)	**1642200**	**1522200**	**480000**	**360000**	**400000**	**400000**	**480000**	**480000**	**480000**	**482400**	**200000**	**6926800**
2.	Other Non-Executive Directors	-	-	-	-	-	-	-	-	-	-	-	-
	- Fee for attending Board / - Committee meetings	-	-	-	-	-	-	-	-	-	-	-	-
	- Commission	-	-	-	-	-	-	-	-	-	-	-	-
	- Others (please specify)	-	-	-	-	-	-	-	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total B =(1+2)	**1642200**	**1522200**	**480000**	**360000**	**400000**	**400000**	**480000**	**480000**	**480000**	**482400**	**200000**	**6926800**
	Total managerial remuneration (A+B)												**84058001**
	Overall ceiling as per Act	**₹3125 Crore (being 11% of the net profit of the Company calculated as per Section 198 of the Companies Act 2013)**											

Note: 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

* Directors were inducted on the Board w.e.f. 22.09.17

Shri Subroto Bagchi ceased to be Director w.e.f. 30.06.17

@ Dr. B. Mahadevan was inducted on the Board w.e.f. 22.09.17 and ceased to be Director on 19.03.18

C. Remuneration to Key Managerial Personnel (other than MD / Manager / WTD):

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				
		CEO #	CFO #	CS (Raju Ranganathan)*	CS (Kamal K. Gwalani)*	Total
1.	Gross Salary					
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	5299512	5478284	10777796
	b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	811000	125697	936697
	c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission "as % of profit" "others (please specify)"	-	-	-	-	-
5.	Others (please specify)	-	-	-	-	-
	Total	**-**	**-**	**6110512**	**5603981**	**11714493**

The remuneration paid to Shri Sanjiv Singh & Shri B. Ashok, Chairman and Shri A. K. Sharma, Director (Finance) being the KMP's as per the provisions of the Companies Act 2013, is provided in table VI(A) above.

* Shri Raju Ranganathan superannuated from services on 31.08.2017 and Shri Kamal Kumar Gwalani was appointed as Company Secretary w.e.f. 01.09.2017.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A.	**COMPANY**					
	Penalty					
	Punishment					
	Compounding					
B.	**DIRECTORS**					
	Penalty			NIL		
	Punishment					
	Compounding					
C.	**OTHERS OFFICERS IN DEFAULT**					
	Penalty					
	Punishment					
	Compounding					

Management's Discussion & Analysis

MACROECONOMIC CONDITIONS & OUTLOOK

Global Economy Performance & Outlook

The year was marked by a buoyant global economy. Global economic growth accelerated to 3.8% in 2017 from 3.2% in 2016 on account of a broad-based global recovery. OECD economies witnessed a steep acceleration in growth, with growth rate rising to 2.3% in 2017 from 1.7% recorded in 2016. Non-OECD economies also witnessed acceleration in growth, economic activity rose by 4.8% in 2017 from 4.4% in 2016.

The year was marked by rising purchasing managers indices, rising consumer confidence, growing industrial production, rising commodity prices and growing trade volumes across majority of countries. Further, rising commodity prices, especially energy prices, supported growth in commodity exporting countries like Brazil and Russia. Private consumption and exports drove growth in China, which re-emerged as the fastest growing large economy in 2017. Pick-up in investment and accommodative monetary policies supported growth in OECD economies. The progressively improving labour market conditions and inflation situation in the US also warranted gradual withdrawal of monetary support.

Looking ahead, global growth is expected to accelerate further in the next two years. The prevailing buoyancy in global economic activity, favourable market sentiment, financial conditions and implementation of expansionary fiscal policy in the United States are expected to support global growth. However, rise in protectionist measures, sanctions, worsening of geo-political conditions could act as key downside risks to the prospects of the global economy.

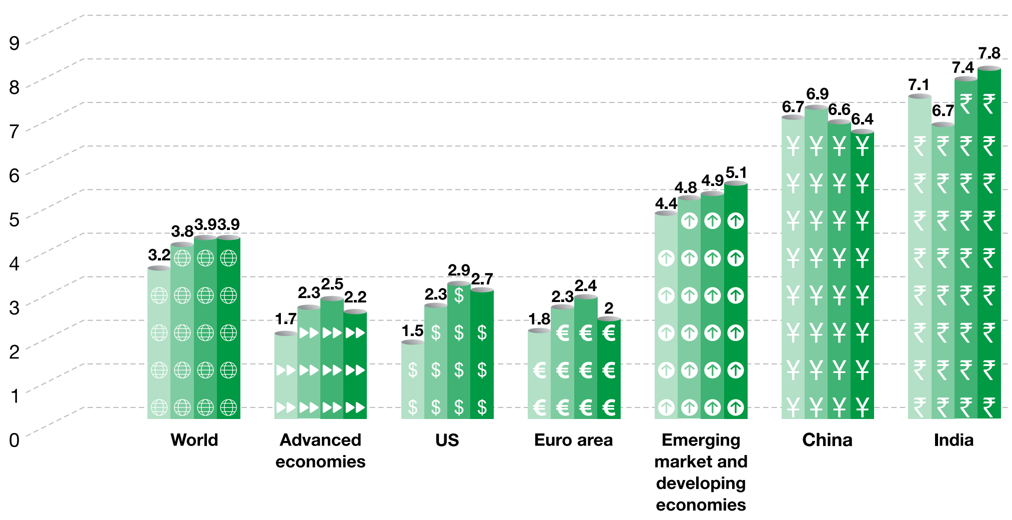
Indian Economy Performance & Outlook

During the year, GDP growth slipped marginally to 6.7% from 7.1% in 2016-17. Slippage in growth was seen in agriculture and manufacturing sectors. It was the services sector that provided support to the overall GDP growth, wherein growth accelerated to 7.9% from 7.5% in the previous year.

Looking at the economy's performance from the demand side, India's consumption growth weakened in both private and government space. This segment has been the key driver of GDP growth and a slowdown here played a significant role in bringing down the growth rate. Besides, the performance on investment front was also below expectation. Growth in gross fixed capital formation was above the average growth rate in previous 5 years but lower than last year. In addition, muted exports growth and resurgence in import demand mainly on account of pricier oil imports and higher gold imports also weighed on the growth in aggregate demand.

In terms of performance of macroeconomic parameters, the performance during the year was mixed. Retail inflation slowed down to 3.6% in 2017-18 from 4.5% in the previous year. However, the decline was far from smooth, with inflationary pressures building up midcourse. Fiscal Deficit in 2017 - 18 was 3.5% of GDP, unchanged from 2016-17 level, but above the budget estimate of 3.2% of GDP for 2017-18. Subdued export performance and rising imports weighed on growth and current account deficit deteriorated to 1.9% of GDP from 0.7% of GDP in 2016-17. There was a slight dip in net foreign direct investment (FDI) inflows as well, which have dipped to $31 billion, from the level of $36 billion in previous two years. While Rupee remained stable, on overall terms it appreciated to ₹64.44/US$ during the year from

Global GDP Growth (y-o-y) %



Source: IMF

Note: Data for India is on fiscal year basis

₹67.09/US$ in 2016-17. Net Portfolio flows remained buoyant and almost tripled from 2016-17 levels.

In the current year, prospects are looking up for the economy. Growth is expected to accelerate to around 7.4% in 2018-19 driven by improving global demand, investment revival, which is becoming visible with the sustained expansion in capital goods production and rising imports. Rejuvenation of rural demand propelled by healthy monsoons and rural & infrastructure sector focused budget schemes and reforms also expected to drive growth, besides, continued implementation of structural reforms will be a key facilitator of growth. The transitory effects of demonetization and GST are expected to diminish and the positive gains from implementation of GST by reducing internal barriers to trade are expected to kick in by raising efficiency levels and tax compliance. Key risks to the outlook emanate from distressed banking sector assets and rising international crude oil prices.

INDUSTRY STRUCTURE & DEVELOPMENTS

Global Energy Scene

During the year, primary energy consumption grew by 2.2% up from 1.2% in 2016 and the fastest since 2013 propelled by a thriving global economy. While there was a rise in prices of fossil fuels, they remained lower than the historical highs, and the falling costs of wind and solar continued to provide support to energy demand. In 2017, global clean energy investment rose by 3% from 2016 and was at the second highest annual figure ever.

Global energy sector is at an interesting juncture today, where far-reaching transformations are gaining shape and over the long term have the potential to significantly alter the global energy system. Key global shifts which are viewed as pivotal to this transformation are - rising population, urbanization and GDP growth in the developing world, with India being at the forefront, rising share of natural gas, shale revolution, rising dominance of US as an oil producer and exporter, climate change and air pollution concerns, rapidly falling costs of renewable energy, falling battery costs and rising energy density of batteries, rising energy efficiency and rising share of electricity in the final energy demand.

Global Oil Market

Consumption

Global oil consumption in 2017 increased by 1.6 million barrels per day (mbpd) to 97.8 mbpd from 96.2 mbpd in 2016, registering growth of 1.7% from previous year. Recovery in world economy and low oil price gave impetus to oil consumption growth. In terms of country grouping, OECD demand grew by 0.5 mbpd to 47.4 mbpd, an increase in demand for third consecutive year, while non-OECD demand increased by 1.1 mbpd to 50.4 mbpd in 2017, contributed mainly by emerging economies of Asia. With projections of strong growth in most countries, particularly in advanced economies, global oil demand is expected to rise by 1.5 mb/d to 99.3 mb/d in 2018.

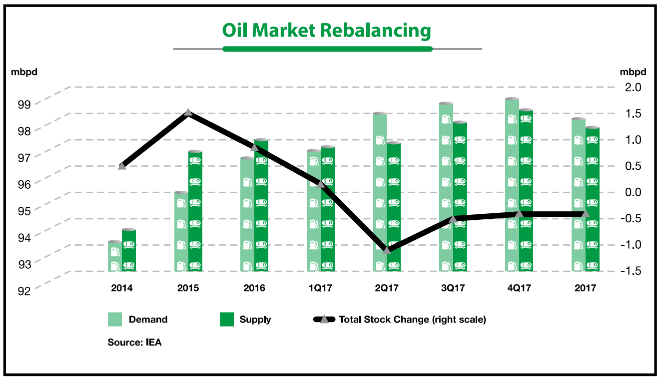
Production

On the supply side, the average output increased by only 0.4 mbpd in 2017 to 97.4 mbpd from 2016 level, a weak growth in overall supply due to agreed supply cuts by OPEC and certain/-non-OPEC countries. OPEC production declined by 0.4 mbpd, from 39.6 mbpd in 2016 to 39.2 mbpd in 2017, the first annual decline since 2013, in compliance with supply cuts put in place at the start of the year. Saudi Arabia produced below its agreed supply target every month of the year. Non-OPEC production, on the other hand, after falling in 2016, increased by 0.7 mbpd in 2017, led by US. Annual average U.S. crude oil production reached 9.3 million barrels per day (b/d) in 2017, an increase of 464,000 b/d from 2016 levels.

In November 2017, monthly U.S. crude oil production reached 10.07 million b/d, the highest monthly level of crude oil production in U.S. history. Recent hike in crude oil price is expected to drive non-OPEC production growth in 2018.

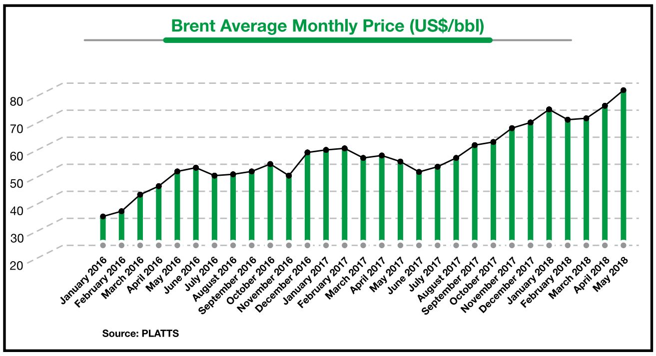
Inventories

The surplus in the oil market witnessed in the previous years disappeared, with demand exceeding supply by 0.5 mbpd in 2017 as a whole. The agreed supply cut and robust growth in global oil demand helped the market rebalance.



Prices

Brent crude oil prices averaged $54.4/barrel in 2017, the first annual increase since 2012, moving up by almost $10/barrel from 2016 average. The Brent-WTI price spread was more than $3.3/barrel in 2017 from the average price difference of less than $1/b in 2016. Despite relatively higher U.S. crude oil production in 2017, curtailments in production by members of the Organization of the Petroleum Exporting Countries (OPEC) and growth in global demand supported crude oil price rise in 2017. The OPEC



agreement to restrict crude oil production in 2017 and subsequent extension of that agreement through 2018 tightened crude oil supplies, which put upward pressure on oil prices. Brent crossed the $70/barrel in January 2018 and has further strengthened in the current year crossing $80/barrel. Re-imposition of sanctions by US on Iran, unplanned output losses in Venezuela, and escalation in geopolitical tensions in Syria, North Korea among other factors have driven up oil prices.

Global Gas Market

Natural gas consumption grew by 3% in 2017 reaching 3670 bcm, making it the fastest growing fossil fuel in 2017. The consumption growth in 2017 was distinctly above the average annual growth rate of 2.3% witnessed in the previous 10 years. China alone accounted for nearly 30% of global growth in 2017, with more than 30 bcm of incremental consumption coming from China, out of 96 bcm of global incremental consumption.

Natural gas production increased by 4% in 2017, which was almost double the average annual growth rate in the previous 10 years. OECD natural gas production grew by 2.4% and Non-OECD production grew by 4.9%. Largest production increases were in Russia (46 bcm), followed by Iran (21 bcm).

During the year, gas trade surged with 6.2% growth in 2017 over 2016. Growth in LNG trade at 10%, which was the highest since 2010, drove the global gas trade. Start-up of new LNG supplies from Australia and the US along with rising LNG demand from China significantly contributed to expansion in LNG trade.

Gas price bounced back in all markets in 2017, as global markets tightened. Gas prices in the US averaged $2.96 per million British thermal units (mmBtu), up by $0.47 compared with 2016 ($2.49). Natural Gas LNG Japan price rebounded to $8.04/mmBtu in 2017 from $6.89/mmBtu in 2016. The price was driven by stronger Asian LNG demand from China, Japan, Korea and Pakistan.

Global Renewables Sector

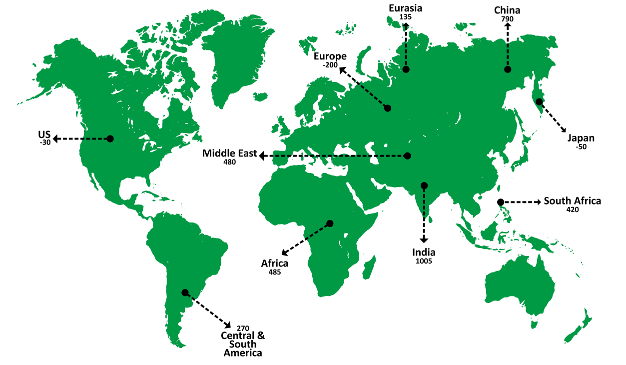
Renewable generation capacity has been growing at 8-9% per annum in the recent years. The trend continued in 2017 as well, with capacity rising to 2179 GW by the end of 2017. During 2017, additional capacity of 167 GW was added, implying a growth of 8.3% over previous year. Capacity expansion continued to be driven mostly by new installations of solar and wind energy, together accounting for 85% of all new capacity installed in 2017. Solar energy capacity increased by 94 GW (+32%), followed by wind energy with an increase of 47 GW (+10%). Hydropower and bioenergy capacities increased by 21 GW (+2%) and 5 GW (+5%) respectively.

Solar capacity expansion was mostly contributed by Asia, with a 72 GW increase. China alone accounted for more than half of all new solar capacity installed in 2017, with capacity addition of 53 GW. India added 9.3 GW of solar capacity in 2017. Three-quarters of new wind energy capacity was installed in five countries: China (15 GW); USA (6 GW); Germany (6 GW); UK (4 GW); and India (4 GW). Brazil and France also installed more than 1 GW.

Global Energy Outlook

Latest energy sector long term outlooks by different independent agencies, such as BP, Exxon Mobil and International Energy Agency (IEA) project growth in global energy demand in coming decades, driven by growth in India and China. Oil and gas together are projected to account for the largest share of the energy mix across a range of scenarios, albeit with a bigger share of renewables and fall in share of coal. Even in high electric vehicles penetration scenarios, while moderation is projected in oil demand, liquids will still continue to be the major fuel catering to transportation demand.

Change in Primary Energy Demand 2016-2040 (Mtoe), Source: World Energy Outlook, New Policy Scenario, IEA



Global Primary Energy Demand projected to rise from 13760 mtoe in 2016 to 17584 mtoe in 2040

Developments in the Indian Energy Sector

Indian energy mix is dominated by coal, followed by oil. Natural Gas still has a small share, while traditional energy forms continue to cater to a large chunk of the energy demand. Renewable energy has a small but rapidly growing presence. India is the world's third largest energy consumer, but in per capita terms, with energy consumption of 637 kgoe/capita, it is way below its peers such as China, Russia and Brazil and is 1/10th of the levels in the United States.

Key developments in the Indian energy sector that marked the year, particularly with reference to the areas in which the Corporation operates were-

- BS-IV grade fuel launched across the country, April 2017
- Ban on sale of vehicles not compliant with BS-IV standards, April 2017
- Roll-out of Corporate Average Fuel Efficiency norms for light duty vehicles, April 2017
- India's first electric mass transport project launched in Nagpur, May 2017
- Solar power tariffs touched a record low of Rs. 2.44/ kWh at Bhadla Park, Rajasthan, May 2017
- Pan India roll-out of dynamic pricing of retail prices of petrol and diesel, June 2017
- NITI Aayog releases the draft National Energy Policy (NEP) an

omnibus policy to achieve the goal of energy security through coordination between different ministries, June 2017

- Signing of Joint Venture (JV) agreement between PSU Oil Marketing Companies to create the world's largest green field refinery cum petrochemicals complex in Maharashtra, June 2017
- Rosneft-led consortium acquires Essar Oil, August 2017
- Government tenders for 10,000 electric vehicles from EESL, August 2017
- India receives its first shipment US crude oil, October 2017
- Ban on use of Pet Coke & Furnace Oil (FO) in NCR and Rajasthan, Haryana and Uttar Pradesh, October 2017
- Announcement of advancing of BS VI deadline for NCT, November 2017
- Extension of Urja Ganga Gas pipeline in the East to the North East and creation of a gas grid connecting all NE states, January 2018
- Oil and Natural Gas Corporation Limited (ONGC), acquired 51.11% stake in Hindustan Petroleum Corporation Limited (HPCL), January 2018
- Target of Pradhan Mantri Ujjwala Yojana (PMUY) upscaled from five crore to eight crore beneficiaries to be achieved by 2020, February 2018.

Heightened environmental concerns, need for a comprehensive energy policy, rising competition levels, renewable energy tending towards grid parity, investment for meeting future demand, and rising interest in electric vehicles were the themes that defined the Indian energy sector during the year.

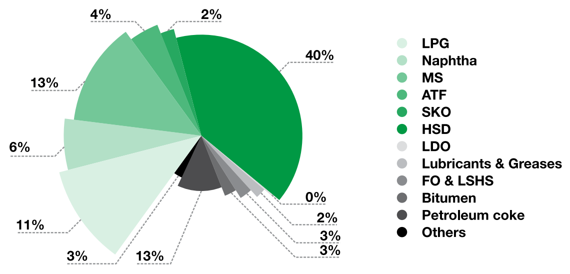
Oil Market - Domestic

Demand Side

During FY 2017-18, petroleum product consumption was 204.9 MMT, registering a growth of 5.3% as compared to 5.4% growth during 2016-17.

Consumption of automotive fuels grew at a much faster rate, with combined MS and HSD consumption registering a 7.5% growth during the year. MS consumption registered a growth of 10.1% in 2017-18 as compared to the previous year. HSD consumption recorded a growth of 6.6% in 2017-18. Domestic commercial vehicle sales increased by 19.9% in 2017-18 compared to 4.1% growth in 2016-17. There was a dip in growth of domestic passenger car sales during the year, growing by 3.3% compared to 3.9% growth in 2016-17 and 7.9% in 2015-16. Domestic two and three-wheeler sales had a robust growth during the year growing by 14.8% compared to 6.9% in the previous year. It was the highest ever growth after 2010-11.

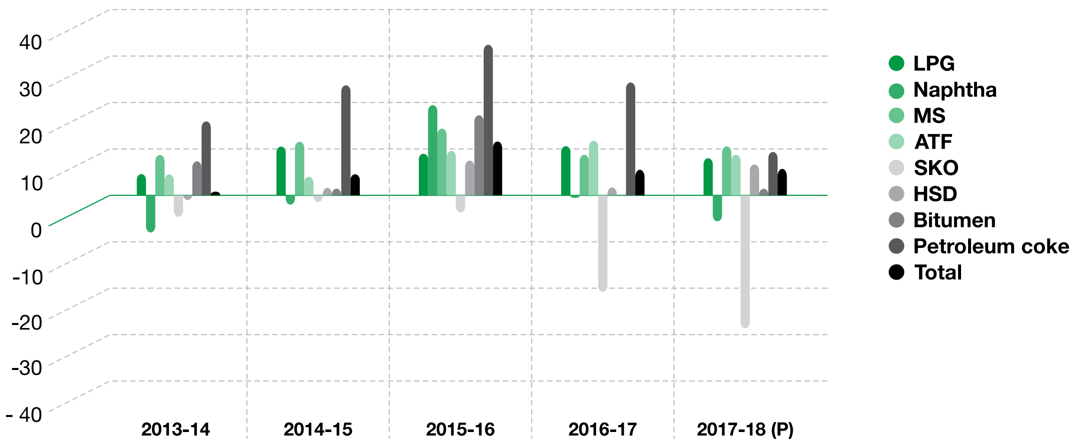
Share of Petroleum Products' Consumption in 2017-18



Source: PPAC

Growth story of civil aviation sector continued during the year, with traffic registering double digit growth. During the year, growth in ATF consumption soared to 8.9% as compared to last year. The continued high growth in domestic passenger traffic has resulted in increasing demand for ATF with a CAGR of 4.9% in the last five years.

Growth Rates of Major POL Products (%)



Source: PPAC

LPG consumption continued in the growth phase. Government's push to providing a clean fuel like LPG to the marginalised sections of society through PMUY also drove up the demand. LPG consumption recorded a positive growth of 8.0% for 2017-18 after recording a 10.1% growth in the previous year. LPG-Packed domestic consumption registered a growth of 7.8% for the year 2017-18. During 2017-18, 68.8 lakh DBCs and 284.7 lakh new connections were released out of which 155.7 lakh were released under PMUY. With this, the total connections released under PMUY till 31.03.2018 since inception was 356.0 lakh.

Growth in Petcoke and FO consumption slowed down during the year. The Supreme Court order banning the use of FO and Petcoke as fuels in Delhi, Uttar Pradesh, Rajasthan and Haryana affected the consumption of both the products in the industries in these regions. The ban gave a boost to LDO demand as a replacement of FO in the affected areas. SKO consumption continued to decline on account of reduced allocation to states and voluntary surrender of quota by few states/UTs.

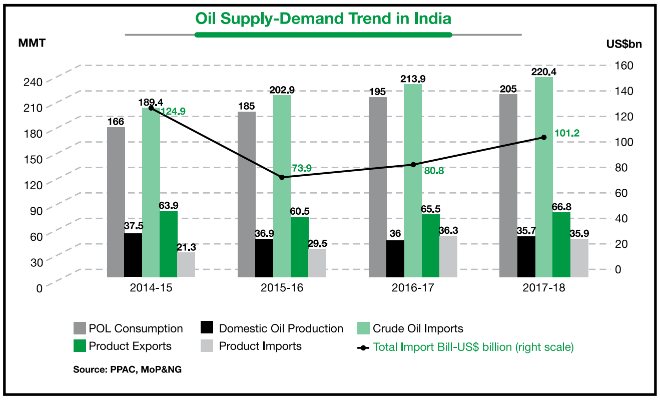
Supply Side

Domestic crude oil production declined by 0.9% to 35.68 MMT as declining phase of many fields continued. The percentage share of crude oil and condensate production of PSU companies increased to 71.8% during 2017-18 against 70.8% during the previous year. However, with Government's thrust on ramping up domestic production through investment-friendly policies, improvement in production levels is expected in the near future.

On the refining front, with capacity addition of 13.6 MMPTA through various revamps, India's refining capacity increased to 247.6 MMTPA at the end of 2017-18. Growth in domestic demand was met by the Indian refiners by increasing their refinery throughput by 2.7%. During the year, Indian refiners processed 251.9 MMT of crude oil as compared to 245 MMT in 2016-17, out of which 74.7% was high sulphur crude oil against 72.3% during 2016-17.

Import Export

Crude oil imports posted a 3.04 per cent growth over previous year in quantity terms, rising to over 220.4 MMT. With the rise in international oil prices in value terms as well, the crude oil import



bill rose to US$ 87.8 billion from US$70.2 billion in 2016-17. On the other hand, product imports remained flat at 35.9 MMT in 2017-18 almost same as last year. However, product imports bill expanded from US$10.6 billion in 2016-17 to US$ 13.4 billion in 2017-18. Export of POL products registered a growth of 1.9% during 2017-18 over the previous year. HSD exports increased by 8.7% during 2017-18 as compared to 2016-17. In value terms total product export amounted to US$34.9 bn compared to US$29.1 bn in the previous year.

Pricing & Subsidy Administration

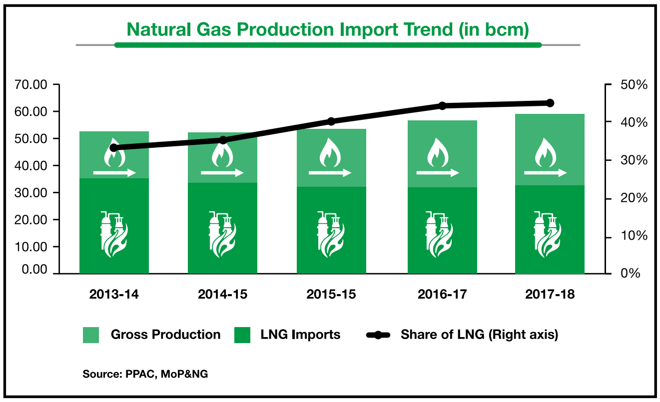
During the year, Indian Crude Basket averaged at $56.43/barrel, rising by more than 18% from 2016-17 levels. With the deregulation of diesel prices in 2014, subsidies to only LPG (Domestic) and Kerosene supplied through the public distribution system are applicable. During the year, gross under-recoveries increased to ₹25,552 crore, from ₹20,500 crore in the previous year. Under recovery under SKO (PDS) was down to ₹4,672 crore, from ₹7,595 crore in 2016-17, whereas under recovery under PaHaL increased to ₹20,880 from ₹12,905 crore in 2016-17. Government has been taking steps towards reducing the gap between the market price and subsidized price. During the year, the Government had allowed PSU OMCs to increase prices of SKO (PDS) by ₹0.25/Litre on fortnightly basis w.e.f. 01.4.2017. The increase in price is being continued in 2018-19. Price of Domestic subsidised LPG was allowed to be increased by ₹2/cylinder every month w.e.f. 1.4.2017. Monthly price increase of ₹2/cylinder was later revised to ₹4/cylinder w.e.f 1.6.2017 and continued till September 2017.

During the year, daily price revision of Petrol and Diesel was introduced based on prices of respective products in international oil market, rupee - dollar exchange rate and market conditions prevailing in domestic market. Daily price revision on a pilot basis was introduced in Udaipur, Jamshedpur, Puducherry, Chandigarh and Vishakhapatnam w.e.f. 1.5.2017. Later on, it was implemented in the entire country w.e.f. 16.6.2017. The revised pricing mechanism has resulted in making the retail prices more reflective of the prevailing market conditions and minimized volatility in selling prices of Petrol and Diesel. This has also ensured smoother flow of products from refinery/depots to Retail Outlets.

Gas Market-Domestic

During 2017-18, natural gas consumption in the country surged to around 52.3 bcm registering a 5.2 per cent growth compared to 6.4 per cent growth witnessed last year. On the supply side, domestic gas production increased during 2017-18 by 2.4 per cent amounting to 32.7 bcm compared to 31.9 bcm in 2016-17, highest since 2014-15. LNG import rose to 26.3 bcm in 2017-18 compared to 24.7 bcm in 2016-17, expanding by 6.7 per cent from the previous year. India is the fourth largest Liquefied Natural Gas (LNG) importer after Japan, South Korea and China, and accounts for 5.7 per cent of the total global import.

Goverment of India is taking a number of steps to improve the gas infrastructure and has even provided budgetary grant. The share of gas in primary energy mix is targeted to be raised to 15% from 6.5% at present in the next three to four years. City Gas Distribution, which is another focus of development is being scaled up, with a target of 10 million connections by 2020.



Renewable Energy-Domestic

To counter climate change and at the same time to reduce dependence on fossil fuels, the Government of India has set a target of 175 GW renewable power installed capacity by the end of 2022. This includes 60 GW from wind power, 100 GW from solar power, 10 GW from biomass power and 5 GW from small hydro power. During 2017-18, 11.8 GW of renewable energy capacity was installed taking cumulative capacity to 69.68 GW. In terms of wind power installed capacity, India is globally placed at the fourth position after China, USA and Germany, and placed in global solar power installed capacity.

India's Installed Renewable Energy Capacity

Installed Capacity (MW)	FY 2017-18	Cumulative as on 31.03.2018
Wind Power	1,766	34,046
Solar Power	9,363	21,652
Small Hydro	106	4,486
Bio-Power (Biomass, Waste to Power etc)	553	9,502
Total	**11,788**	**69,685**

Source: MNRE

During the year, renewable energy tariff hit a new record, touching as low as Rs. 2.44/KWh for solar and Rs. 2.64/ unit for wind, achieved through transparent bidding and facilitation.

Indian Energy Outlook

India is expected to be the largest growth market for global energy over the long term. India has been one of the fastest growing energy consumers in the last decade and as projected by various agencies, it is expected to grow at rates faster than other major economies in the world upto 2040. Coal is projected to stay the dominant source of energy, albeit with decline in share in the energy mix in the pro-climate and sustainable development scenarios. Oil demand is set to post robust growth in India. Projections by various agencies, even in scenarios with high global EV penetration and proactive climate action vouch for oil's growth in India up to 2040. Natural Gas is set to see a significant scaleup in the energy mix. Renewable energy in India is projected to witness the highest growth rates amongst energy types across a range of scenarios.

STRENGTHS & WEAKNESSES

The Corporation is the flagship energy company of the country, with one third of country's refining capacity (including its subsidiary) and over 49% of downstream marketing infrastructure in the country. Its wide network of pipelines and marketing infrastructure mark its unmatched outreach. The Corporation's integration into Petrochemicals , Exploration & Production and Gas business has emerged as a major area of strength.

Another area of strength for the Corporation lies in its extensive Research and Development capabilities. The Corporation's R&D centre is recognized as one of Asia's finest and its focus areas are proprietary research in lubricants, catalyst, refining technologies and pipelines operations. It is also expanding into research in alternate energy, petrochemicals, bioenergy and nanotechnologies. In the area of refining technology, an area which is dominated by foreign technology suppliers, the Corporation has reached a stage where a number of technologies developed by it are getting commercialized.

The Corporation has over 33,000 employees, who run its country-wide and overseas operations. With a low attrition rate of 0.8% and employee-centric policies, the Corporation has been adjudged as the best Public Sector Company to work for in India in a study conducted by Great Place to Work Institute in association with Economic Times. To make the workforce future ready, innovative learning and development interventions like Competency based Learning, initiatives such as e-Learning have been introduced. Avenues for higher education, in collaboration with premium management and technical institutions of the country, are also provided. The skills, experience and prowess of its manpower resource is the key strength of the Corporation. In recent years, the Corporation has been recruiting talent across the country, with an average intake of more than 1,750 recruits per year in the last three years. A structured and robust Succession Planning Framework is also in place for identification and development of Leadership Pipeline.

Another area of strength for the Corporation is its network of dealers, distributors, transporters, contractors and vendors, which ably support it in day-to-day operations of logistics and delivery. The Corporation has built and nurtured this relationship and it plays a crucial role in timely and safe delivery of its products and services.

While the Corporation's core business of refining and marketing of petroleum products is inherently a low margin business, its focus on operational efficiency, cost optimization, and diversification have been pivotal in ensuring its growth and competeiveness. Some of the Corporation's refineries are quite old and have small capacities while these have been augmented and modernized from time to time; their sizes remain sub-optimal in the present context.

IndianOil - Future-Ready

Human Capital	• Best Public Sector Company to work for in India by Great Place to Work Institute in association with Economic Times • Highly skilled and motivated workforce; Low attrition rate • Employee centric policies to achieve right balance between work and life • Robust & Transparent Performance Management System • Effective succession plan
Reach: Touching lives in every corner of the country	• 43.3% of the total ROs in the country: Over 27000 & expanding • 50.7% of total in the country: 10200+ LPG Distributors & expanding • 81.5% in the country: 6650 Consumer Pumps & expanding
Robust Infrastructure	• 11 refineries with 80.7 MMTPA capacity • 125 out of 302 POL terminals & depots in the country • 91 LPG Bottling plants out of 190 in country • 107 AFS out of 210 • 13300+ km pipelines length including 140 km gas pipline
Large Customer Base	• Market share of over 44% in 2017-18 • 12. 7 crore domestic LPG Customers with market share of 48.4% • City Gas Distribution in 11 GAs and expanding
Global Presence	• Highest ranked Indian Company in Fortune 500 list • Petrochemicals export to 75 countries • 9 overseas assets under E&P • 7 overseas subsidiaries and 1 JV
Vertically Integrated	• Petrochemicals PBT: 15.5% of Corporation's PBT • Upstream Integration Ratio: 5.36%
Diversified Portfolio	• Petroleum Products • Petrochemicals • Natural Gas • CGD, LNG at doorstep • Lubricants • Solar and Wind Energy • Overseas Business • Technological licensing • Biofuels
Cutting Edge Technology	• Indigenously developed refining technolgies- INDMAX, OCTAMAX, Delayed Coker Technology, Ind-Coker^{AT} Technology, INDAdept^{G} • Real Time Data Base Management & Real time optimizers in refinery units • Automation of retailling, smart terminalling, Customer Relationship Management and Social Relationship Management initiative, digital payments • Augmented reality/ virtual reality for defect assessment of submarine pipelines
Fostering Innovation	• 82 Patents filed during the year taking total to 837 as on 31.3.18 • Promoting enterpreneurial prowess of India through IndianOil Start-up Scheme- ₹ 30 crore revolving Start-up fund • First mover in Fuel at Doorstep • India`s first fuel cell powered bus

OPPORTUNITIES, CHALLENGES & THREATS

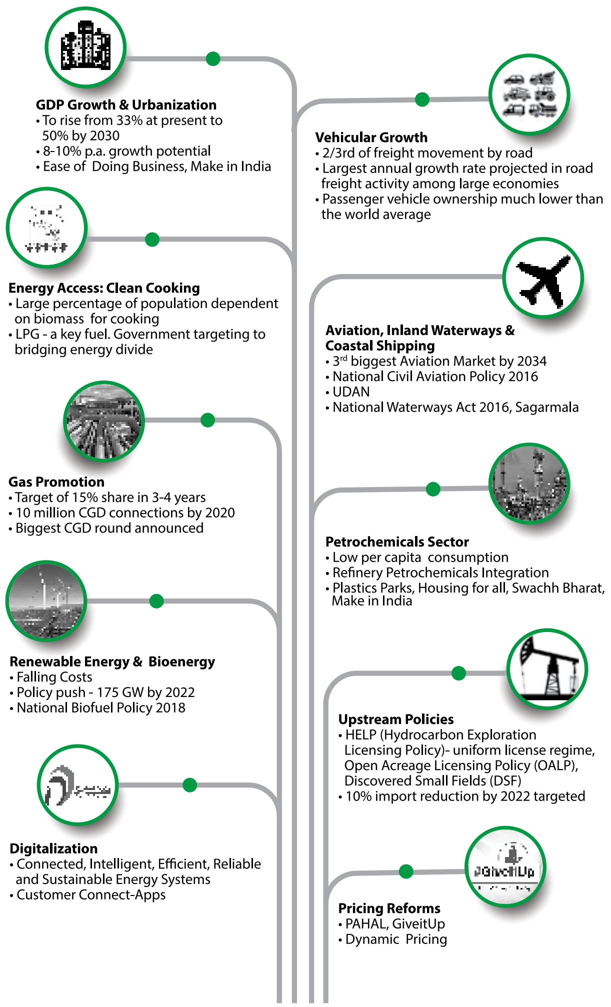
The Corporation understands that the future is of competitive energy where each energy type will compete for meeting consumer needs and within each energy type also, competitive forces will be pervasive. In this context, the vision of being the Energy of India, adopted almost a decade ago is a testimony to its understanding of the essence of the business. IndianOil has emerged as an integrated and diversified energy conglomerate with a rising global reach. And in the years to come, the Corporation envisages further scaling up the asset base and revenue generation from across existing and new businesses.

Indian Growth Story

Long term trend: Growth opportunities abound

Today, India is a major economic growth centre and the long term growth outlook for the Indian economy is reckoned to be bright, with the potential of 8-10% per annum growth. With initiatives like Make in India, the share of manufacturing in the GDP is set to

OPPORTUNITES FOR GROWTH



rise from the current 16% to 25% by 2030. Investment climate in India is improving with various initiatives and reforms addressing the ease of doing business. Further, India is set to become the most populated nation overtaking China in the next decade, be home to many mega cities, with urbanization rate rising from 33% at present to 50% in 2030.

Energy will be a critical component of the Indian growth story. India is expected to have the fastest growth rates of energy over the long term. Being the flagship energy company of India, this puts the Corporation in a position which is plush with growth opportunities. The Corporation has sizeable investment plans across the energy value chain to service the growing energy needs to the growing Indian economy.

During 2012-13 to 2016-17, the Corporation's average annual capital expenditure was Rs. 16,500 crore. This was almost 40 percent higher than its average annual capital expenditure in the previous five years period (2007-08 to 2011-12). Taking this further, the Corporation has ambitious plans to double its capital expenditure over the next five to seven years. A major chunk of investment is directed to fuel quality upgradation projects and brown-field refinery expansions along with associated pipeline and marketing facilities to meet the growing fuel demand in the country through cleaner fuels. In addition to this, the Corporation also has plans in place for sizeable investments in Petrochemicals, E&P and Gas along with Wind & Solar Power projects.

Downstream Oil Demand:

Long Term Trend: Opportunities from rising oil demand in India

The Corporation has a long history of servicing petroleum demand of the country and is the face of downstream oil in the country. India is third-largest oil consuming nation in the world and in the future it is set to experience one of the fastest growth rates in oil demand. Rising per capita income, growing demand for road freight, aviation and petrochemicals will be the key drivers & over the next 15-20 years. Further, their impact is expected to more than outdo the dent in oil demand from rising vehicular efficiency and the expected rise of electric passenger vehicles and shared mobility.

The product surplus in domestic refining is slowly dwindling in face of growing domestic demand for refined products. The Corporation has plans in place to expand its refining capacity through expansions at existing locations and is also leading the ambitious west coast refinery project, which is set be the world's largest integrated green field Refinery cum Petrochemical Complex to be built at estimated cost of US$ 40 bn and with the capacity to process 1,200,000 barrels per day (60 MMTA) of crude oil and produce over 18 MMTA of petrochemicals. In addition, plans for concomitant investments in distribution and marketing infrastructure are afoot to cater to the growing demand.

Aviation Business

Short & Medium Term: High growth opportunity in the Aviation Sector

Indian aviation sector has exhibited double digit growth in the last four years and is expected to continue being on the growth trajectory. As per the projection of International Air Transport

Association, India is amongst the three fastest growing markets in terms of additional passengers per year up to 2034. Further, key reforms such as the National Civil Aviation Policy and Regional Connectivity Scheme-UDAN are expected to give a major fillip to aviation business in the country.

The Corporation is the market leader in aviation fuel business in the country and has been gaining market share despite 60% of the industry volume being under Common User Facility (CUF) concept. The Corporation has been able to maintain its leadership position in face of rising competition by offering competitive prices and unmatched services. In the near future, Government is planning implementation of CUF at other airports covering another 15-20% of industry volume. Backed by a strong aviation infrastructure and cost effective logistics, the Corporation is confident of getting better of the rising competition in the sector.

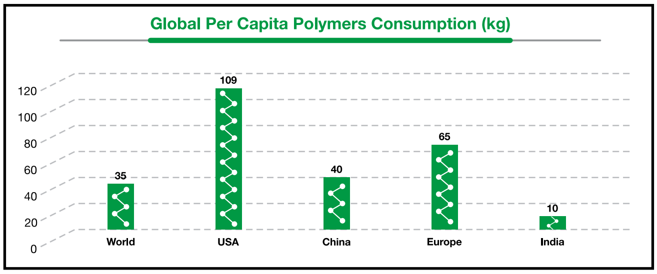
The Corporation is the leader in setting up refuelling facilities at Regional Connectivity Scheme Airports under the UDAN scheme. The Corporation has also pioneered development of low cost fuelling infrastructure models for smaller airports through in-house expertise of its Cryogenics vertical.

Petrochemicals

Long Term Trend: Opportunity to cater to the rising petrochemicals demand in India

Petrochemicals business has emerged as major contributor to the Corporation's bottom-line and investment in this business is an important tenet of the Corporation's growth strategy. Presently, India trails the global per capita polymer consumption. At 10 kg, Indian per capita polymer consumption is one-third of the world average of 35 kg, one-fourth of consumption levels in China and one-tenth of the US consumption levels.

In the last 5 years, petrochemicals consumption in India grew at



8% annually, which was 2.5 times faster than the global growth rate and demand in this sector is expected to grow at a similar pace in the next 10-15 years. Further, at present the domestic capacity falls short of demand and imports have a significant share in the market. Growth in petrochemicals demand in the country is set to not only provide a key demand segment for the Corporation's refineries but also act as a hedge to cyclical performance, provide better returns and benefits of integrated utility management to refineries. Investment in integrated refinery and petrochemicals project is viewed as a compelling strategic choice by the Corporation. In fact, refinery and petrochemical integration is the way forward for all refinery expansion plans of the Corporation. Another important part of petrochemicals strategy is to make products that meet customer and market requirements. In this context, the Corporation's state of the art Product Application and Development Centre (PADC), which acts as an interface between polymer plants, marketing and customers is a critical link. PADC has been designing applications in line with customer requirements, and will be expanded as the Corporation's polymer production base expands.

Natural Gas

Medium Term Trend - Opportunity to scale up share of Gas in the Energy Mix

Gas is another major tenet of the Corporation's growth strategy. Gas meets more than one fifth of the global energy requirements. However, India lags significantly behind the global trend, with gas meeting only 6.5% of the country's energy requirements. Globally, the share of gas is expected to rise at the expense of coal and oil. In India, gas will play a major role in de-carbonising growth and there is major policy drive to push up its usage rates. Government of India is incentivising investment in gas infrastructure through policy reforms and fiscal incentives and aspires to increase the share of gas in primary energy to 15% in the near future. While raising domestic gas production will be critical to increasing penetration of gas, the global LNG boom, especially powered by supplies from USA and Australia is playing a major role in fulfilling India's gas ambitions.

The Corporation has invested in gas business across the value chain and is fully geared up to take up the slew of opportunities coming up in this sector. The Corporation's first co-owned LNG Terminal at Ennore, Tamil Nadu is set to come on stream by the end of 2018, and has recently booked 3 MMTPA regasification capacity at Dhamra LNG Terminal and is also actively negotiating capacity booking in other upcoming terminals. Investment in cross country gas pipelines and CGD business are set to scale up. In addition to ongoing projects, the Corporation is partnering in the development of North East Gas Grid and would be bidding in the current CGD bidding round of 86 GAs and subsequent rounds for expansion of its CGD network.

Shifts in Global Oil Trade

Medium & Long Term Trend: Emerging Opportunities from India's Growing Influence in the Global Oil Market

There has been a fundamental shift in the international oil market and at the very core is the Shale revolution. On the supply side, soaring Shale oil production is expected to turn United States, the second biggest oil importer today into a net oil exporter by the late 2020s. On the demand side, growing crude oil imports by Asia, led by India and China are expected to account for increasing proportion of supplies from Middle East. According to IEA, by 2040, 70% of world oil imports will be accounted for by Asia. Asia's dominance as a major demand centre is on the rise and growing production in US is creating opportunities for Asian countries to look beyond OPEC for crude oil imports. In 2017, China accounted for 17% of crude oil export from US, where as India accounted for about 3% of total export from US.

The Corporation imported India's first shipment of US Shale oil during the year. With growing energy demand from Asian countries, and as the market provides more sources of crude oil, the bargaining power for major oil buyers, such as India is going to get stronger, providing opportunities for realizing lower import costs , better terms, greater security, and investment inflows.

Upstream Oil & Gas

Medium & Long Term Trend: Opportunity to Reduce Import Dependency

With a view to source oil & gas to meet its own and country's energy requirements and to reduce India's import dependency, the Corporation has been making concerted efforts and investments in upstream oil and gas. Integrated energy operations are the backbone of the Corporation's growth strategy for the benefits of diversification of risks it offers. The Corporation has judiciously nurtured its E&P portfolio and its oil & gas production from international and domestic assets is expected to be over 4 MMTPA in 2018-19. The Corporation's strategy has been two-pronged, consisting of participation in Indian and international licensing/bidding rounds and acquisition of commercially prospective E&P opportunities in geo-politically stable countries worldwide. By 2022-23, the Corporation is targeting increasing hydrocarbon production to meet over 7% of its requirements and further to over 10% by 2029-30 mainly by acquisition of producing/near-term producing/under development/discovered upstream assets, either alone or in consortium with other National Oil Companies or International Oil Companies. It will also continue participating in Indian and international licensing/bidding rounds.

Bioenergy

Medium & Long Term Trend: Opportunity for meeting energy security and climate change goals

Modern bioenergy has significant potential in meeting India's climate change and energy security objectives and the Corporation is proactively partnering with the Government in development of this option as a part of the solution. Advanced biofuels using lignocellulosic feedstocks, waste and algae have the potential of offering a range of low carbon renewable resources for fuelling transport, cooking and electricity generation. The DBT-IOC centre for Advanced Bioenergy Research, which is jointly and equally funded by Department of Biotechnology, Government of India and the Corporation is committed to advanced Bioenergy research addressing second and third generation biofuels. Presently, the Corporation is working on 2nd Generation Ethanol and CBG (Compressed Bio-Methane Gas). In order to increase the availability of ethanol, the Corporation is setting up 2nd Generation Ethanol production plants in Uttar Pradesh, Haryana, and Gujarat. These projects will not only provide a low carbon fuel but also reduce emissions due to crop burning and create value in the rural economy. The Corporation is also exploring opportunities for facilitation of production and retailing of CBG across India and has signed 9 MoUs for retailing of Bio-CNG and Compost through its retail channels. An inoculum for CBG production has been developed by IndianOil R&D in this regard. Production of CBG from waste/biomass will reduce the import of natural gas, utilize waste productively and will reduce pollution, apart from providing rural employment. Further, the Corporation's R&D is working on $C0_2$ gas fermentation technology for production of biofuels, once proven this technology has the potential to be scaled up and be a game changer in biofuel segment.

Digitalization

Short Term to Long Term: Leveraging the opportunities presented

The way business is done has changed dramatically in past few years due to digital innovation. Digital technologies are set to make energy systems around the world more connected, intelligent, efficient, reliable, and sustainable. These technologies not only help companies to reach people faster but also help in optimising, automating and improving business efficiencies and enhancing the overall potency of complex operations in the oil and gas industry the world over. However, digitalization also brings with it new security and privacy risks.

The Corporation recognizes the importance of the digital revolution and has embarked into digital transformation of its business processes to further leverage technology and strengthen multiple business capabilities to get competitive advantage. The emerging digital technologies will help in dealing with complex business operations and processes such as upstream operations, reducing unplanned refinery outages, refinery production scheduling, predictive maintenance, knowledge management, workflow automation, supply chain management, to understand customer need and behaviour, to enhance customer experience and to ensure safety of operations. The corporation is also exploring several digital disruptors and their applicability in the business processes such as Blockchain, Robotics, AR and VR, Analytics, IoT for Predictive Maintenance, Mobile App Augmentation etc.

During the year, Project ePIC (e-Platform for IndianOil Customers) was launched by the Corporation, which envisages creating a 360 degree view of customers, integration, and standardization of marketing efforts across product lines, better handling of customer service requests including grievances and presenting a unified customer experience across various access devices such as mobile phones, tablets, and desktops. Cloud computing and data analytics are areas where the corporation is already working and has plans for the future. Corporation's Start-up Scheme also looks for entrepreneurs with ideas on Digital Platforms, which will help in surveillance, automation, efficiency improvement, process improvement, and customer retention among many others. Besides, the Corporation is maintaining and enhancing its vigil on data security and privacy on a continuous basis.

Cooperation between CPSEs

Medium and Long Term Trend: Opportunities for collaborative growth

Central Public Sector Enterprises (CPSEs) have a long legacy of serving the nation in the critical areas of the economy. Energy is one such sector where CPSEs have and will continue to play an indispensable role. The way forward for CPSEs is to come together in investing in infrastructure, research and development, skill development and knowledge sharing for meeting national objectives, such as reduction in oil import dependency, increasing geo-strategic reach, scaling up renewable energy, development of gas infrastructure, among others and leveraging the synergy amongst themselves.

The Corporation has been partnering with other CPSEs for upstream oil & gas in global and domestic bidding rounds and acquisitions, cross country gas pipelines, CGD networks, among others. And, recently has also ventured into fertilizers sector in partnership with other CPSEs to strengthen its diversification drive. The Corporation has formed a JV company - Hindustan Urvarak & Rasayan Limited, which plans to commission three fertilizer plants by 2021. The Corporation is also keenly looking at avenues of collaboration with other CPSEs for collective growth and nation building.

Alternative Energy

Long Term Trend: Growth opportunities presented by rising penetration of renewables

Globally, costs of solar and wind based power generation has been falling and attaining grid parity. Renewable energy is an important part of Corporation's climate and growth strategy. The Corporation has been one of the early investors in the renewable energy business in the country and today boasts of a growing portfolio of wind and solar power capacity, which has crossed 200 MW. Looking ahead, the Corporation targets bringing solar power to all its refineries, installations and office buildings in the near future and further expanding its wind and solar portfolio. In addition to this, the Corporation is the industry leader in solarised retail network, with more than one third of its retail outlets running on solar energy. The Corporation has been on a massive solarization drive in the last 5 years and plans to fully solarise its retail network in the near future. The Corporation is also actively exploring the area of waste to energy and has already commissioned three waste-to- energy plants, under Swachh Bharat Abhiyan.

LPG Business

Short & Medium Term Trend: High Growth Opportunity

A very large percentage of households in India, especially in the rural areas continue to be dependent on biomass. Bridging this 'energy divide' by providing access to clean and affordable energy for cooking is a major policy objective of the Indian Government. LPG is the key fuel being targeted for bringing out this transition through the Pradhan Mantri Ujjwala Yojana (PMUY) scheme, which aims at providing LPG connections to 8 crore women belonging to the Below Poverty Line (BPL) families between 2016 and 2020.

The Corporation has been at the forefront for implementation of PMUY in terms of allocation of new LPG distributorships, releasing new connections and also strengthening its supply chain. Further, the Corporation has been witnessing healthy growth in non-PMUY LPG sales propelled by urbanization, rising per capita income, preference for cleaner fuels, among others. India has been running a deficit in LPG and, in 2017-18, almost half of the domestic LPG demand was met through imports. Going forward, investing and building adequate LPG import infrastructure is a major priority for the sector, along with strengthening of supply chain and distribution infrastructure. Accordingly, the Corporation is investing in new LPG import terminals, expanding existing terminals, augmenting and laying new LPG pipelines and constructing new bottling plants apart from augmenting capacities at existing plants. Further, the Corporation has been deploying technologies, such as its in-house INDMAX technology for enhancing LPG production from its refineries. Along with this, the Corporation is also continually working for providing quality service, facilitating digital payments and web booking, and enhanced customer safety and convenience. The Corporation has been working to address customer requirements and provides specialized offerings such as NanoCut additized LPG for metal cutting applications in the industry, introduction of 5 Kg cylinder for domestic customers, Indane Jumbo for industrial customers, etc.

Electric Mobility

Long Term Trend: Rising interest in electric vehicles, a potential threat and also a growing opportunity

Falling battery prices and zero tailpipe emissions from electric vehicles are driving the rising interest in electric vehicles (EVs) globally. Automakers across the globe are coming out with EV models and Governments too are pushing for EV adoption. Indian Government is also incentivising EVs through NEMMP (National Electric Mobility Mission Plan, 2013) and FAME (Faster Adoption and Manufacturing of Hybrid & Electric Vehicles, 2015) and is undertaking mass procurement of EVs for its vehicle fleet. Recent assessments by various agencies show that EV penetration in India would significantly lag the projected global rates. Moreover, as rising per capita vehicle ownership, and rising demand from road freight, aviation and petrochemicals are set to drive oil demand growth in India, and impact of EVs on oil demand in India is expected to limited at be least over the next 15-20 years.

Nevertheless, EVs do represent a growing segment of the energy business in India and the Corporation is actively looking for growth opportunities in this area. The Corporation's Research and Development is actively working on energy storage devices, Hydrogen and fuel cells. The Corporation recently launched India's 1st hydrogen fuel cell powered bus EV in collaboration with Tata Motors. The Corporation has the biggest hydrogen production, high pressure storage and dispensing infrastructure in the country and is pioneering the hydrogen & fuel cell research in India. Besides this, the Corporation is also exploring business models and avenues across the EV value chain such as manufacture and retail of lithium-ion batteries for electric vehicles and setting up of charging stations and battery swapping facilities at its retail outlets. A pilot Charging Station was set up during the year at an IndianOil Retail Outlet in Nagpur in collaboration with Ola.

Oil Price Volatility

Short Term Trend: The challenge of high price volatility

Geo-political tensions have the power to pull up oil prices in a jiffy and oil prices are also extremely sensitive to economic news and production and inventory number releases. Oil price volatility along with exchange rate fluctuations is a challenge that the Corporation faces regularly. Operational excellence, cost optimization, diversified crude supply, use of cheaper heavy crude varieties, energy efficiency have been the hallmarks of refinery operations and have been pivotal to margin protection in the short term, especially in a scenarios of high price volatility. The Corporation is also focusing on benchmarking against global standards and this will also hold the Corporation in good stead in the long run.

Domestic Petroleum Products Market

Short & Medium Term Trend: The challenge of rising competition levels in retail & institutional business

Deregulation and shift towards market prices has raised competition levels significantly with entry of private players. The Corporation's thrust has been on providing best-in-class services to its customers at the most competitive price. In the retail segment, the Corporation has adopted a strategy for Retail Transformation with key initiatives such as Look N' Feel, network augmentation, highway proposition, customer loyalty programmes, rural penetration, automation, and use of app. based applications.

In the institutional business, where price discounts had been the traditional way of doing business, service quality, complete fuel solutions and technical support are now emerging as the key differentiators.

In lubricants business, which is a high value segment, the Corporation's strategies of centralized tie-ups, value-added services, approvals from major global OEMs, dynamic incentive schemes, special RO initiatives for lube sales, close customer connect, automation and cost optimization are showing encouraging results.

New business models are also being explored by the Corporation, which are based on smart marketing and aim at adding to customer convenience. In line with this the Corporation has pioneered with door delivery of diesel in Pune catering to mobile towers, factories/ buildings having DG Sets and Construction sites.

Cleaner Fuels

Short & Medium Term: The challenge of delivering cleaner and greener fuels

Globally, air pollution is the fourth greatest overall risk factor for human health. India is home to the most polluted cities in the world - 14th out of top 20. Pollution from road vehicles is a major source of ambient air pollution. While, the Indian Government has been implementing Bharat Stage (BS) vehicular emission norms since the year 2000, it lags the standards in place in other major economies. India at present is on Euro-IV levels for auto fuels. While India has lagged EU standards by 5 years, it is now leapfroging from BS-IV to BS-VI emission standards by 2020. This will be the first instance of a country moving from Euro/BS-IV to Euro/BS-VI standards in less than three years. This move highlights the increased urgency in policy quarters regarding the issue of air pollution; it is expected to contribute to improvement in the air quality over the long-run.

The Corporation is the biggest refiner in the country and has geared up to this challenge. Investment in cleaner fuels is the way forward. The Corporation is implementing fuel quality upgradation projects across its refineries and confident of delivering BS-VI compliant fuels by 2020. The Corporation has already started supplying ultra clean BS-VI MS & HSD in the NCT of Delhi from April 2018 and will include many more districts of NCR before 2020. Additionally, within the automotive fuel segment, the Corporation is already supplying CNG and expanding its supplies and reach for this fuel. It has plans for scaling up Auto-LPG in areas which are not expected to shift to CNG in the near future and has also recently pioneered with the "LNG on Board" initiative, which aims at supplying LNG for use as an automotive fuel and has plans for scaling it up through its retail network.

Environmental vigilance on the quality of bunkering and industrial fuels is also on the rise. The Corporation is committed to providing cleaner fuels such as Low Sulphur LSHS, LDO, LNG, HSD etc. for replacement of unclean fuels such as FO and Petcoke.

Climate Change & Sustainable Development

Long term trend: The challenge of reducing carbon footprint of operations & offerings

The Paris Agreement marks a major milestone for global consensus on climate change. Energy, accounting for around 80% of global GHG emissions is an important part of the Paris Climate Agreement. United Nations Sustainable Development Goals (SDGs) targeting the year 2030 have Goals 7 & 13 of "Affordable and Clean Energy" and "Climate Action", respectively which are directly linked to energy. India ratified the Paris Climate Agreement in 2016, taking target to reduce its carbon emission intensity (emission per unit of GDP) by 33-35% from 2005 levels by the year 2030 and pledged to have 40% of installed electricity capacity running on non-fossil fuel energy sources by 2030.

The Corporation is persistently working in making its operations greener and reducing its carbon footprints. The Corporation has adopted a long-term plan on reduction of specific carbon footprint by 18% and specific water footprint target by 20% up to 2019-20, with 2012-13 as the base year. Further, the Corporation envisages reducing specific carbon emissions by further 5% from 2019-20 to 2029-30. The Corporation's refineries are big energy consumers and work is underway to make them more energy efficient through various ENCON measures and other measures such as integration of smaller units in older refineries in to single units for efficient energy utilization. Consequently, specific energy consumption of its refineries has been consistently falling. Besides the Corporation has been increasing usage of gas as a fuel in its refineries and plans to bring all its refineries on gas as the national gas grid expands. Shift to gas will not only contribute to lesser emissions but also to profitability. Additionally, the Corporation has been increasing product transportation through pipelines, by augmenting its pipeline infrastructure, increasing capacity of renewable energy systems at its locations , replacing conventional lighting with LED lights across its installations, and planting trees

In terms of green offerings, the Corporation is a major supplier of RLNG in the country, is retailing ethanol blended petrol, has invested in 2 G ethanol projects and working on advanced biofuel technologies, CBG, among others. Over and above this, the Corporation is the largest supplier of LPG in the country. LPG is the main fuel being targeting for bringing transition to clean cooking fuels in India. LPG does away with indoor pollution and has much lower carbon emissions than the biomass it is replacing as a cooking fuel in the rural areas and addresses both SDG 7 and SDG 13.

RISKS

In its endeavour to attain sustainable growth, the Corporation constantly scans its external and internal business environment. The Corporation recognises that risk is an integral component of business and is committed to manage the risk in a proactive and effective manner. Risks can originate both internally and externally, further at the global level, a growing number of challenges affecting the environmental, economic, technological and institutional systems pose risk to the future growth and prosperity. The dynamic risk landscape presents a unique challenge to the Corporation, which it is committed to manage strategically.

Following are the risks which are reviewed by the Corporation on periodic basis:

High Risk	Medium Risk	Low Risk	Risk on Radar
• Threat to market share due to competition • Erosion in Margins • Cost and time overruns in Projects • Lack of adequate infrastructure impacting operational cost & timely supply of products: LPG/ ATF/Export • Equity/Asset investment in producing assets not yielding desired returns	• Data Leakage: Compromise of operational data and intellectual property • International compliance risk for overseas JVs & subsidiaries: Non compliance to international laws & regulations • Inability to meet demand due to product unavailability • Investments in Subsidiaries and JVs not resulting in desired returns • Brand value risk	• Unplanned shutdown of refinery • Pilferages in Oil & Gas Cross-country Pipelines • Reduction in margin on account of upgradation in fuel quality • Threat of alternative fuel	• Electric mobility • Environmental Risk • Cyber security • Tax disputes and litigation • Safety Risk: Damage to property & people at IndianOil

The Corporation's Enterprise Risk Management involves Risk Identification, Assessment and Categorisation (based on risk appetite) and is reviewed by risk owners to optimise risks with appropriate mitigation plan on a regular basis through periodic reviews, during strategy setting and in event of significant changes in internal / external environment e.g. regulatory changes, major policy decisions, etc.

FINANCIAL REVIEW

Operating Performance (Segment-wise)

The operational performance of the Corporation across various segments during the year is as under:

MMT

Standalone	FY 2017-18	FY 2016-17	Variation
A. Sale of Petroleum Products			
Sale Volume	84.32	78.83	7.0%
Refineries Throughput	69.00	65.19	5.8%
Pipelines Throughput	85.68	82.49	3.9%
B. Sale of Petrochemicals	2.37	2.58	(8.4%)
C Other Businesses *			
Sales of Gas (Inc. Upstream Sales)	1.90	1.92	(0.8%)
Sale of Explosives	0.18	0.16	12.0%

With full steam operation at Paradip Refinery, the Corporation's Refineries achieved a record crude oil throughput of 69.00 MMT during the year 2017-18 as against the previous year's throughput of 65.19 MMT. IndianOil pipelines achieved the highest-ever throughput of 85.675 MMT during the year, surpassing the previous record by 3.9%. The Corporation registered the highest ever sale volume of 84.315 MMT of Petroleum Products with a growth of 7% over previous year. The Petrochemical segment registered lower sales volume compared to previous year due to reduction in production on account of shut down of petrochemical plants.

Financial Performance (Segment-wise) (₹ crore)

Standalone	FY 2017-18	FY 2016-17	Variation
Revenue from Operations (Segment-wise)	**506,428**	**445,442**	**60,986**
Sale of Petroleum Products	481,168	419,510	61,658
Sale of Petrochemicals	18,034	19,802	(1,768)
Other Businesses*	7,226	6,130	1,096
Profit Before Tax (Segment-wise)	**32,564**	**26,321**	**6,243**
Sale of Petroleum Products	27,567	19,977	7,590
Sale of Petrochemicals	5,226	6,822	(1,596)
Other Businesses*	408	(32)	440
Other un-allocable expenditure/income	(637)	(446)	(191)
Depreciation and Amortisation	7,067	6,223	844
Finance Costs	3,448	3,445	3
Profit After Tax	21,346	19,106	2,240
Borrowings	58,030	54,820	3,210
Gross Fixed Assets (Inc. CWIP)	146,034	129,447	16,587
Investments	47,488	47,305	183
Debt Equity Ratio	0.53:1	0.55:1	
Long term Debt to Equity Ratio	0.19:1	0.25:1	

*Other Business comprises Sale of Gas, Explosives & Cryogenics, Wind Mill & Solar Power Generation and Oil & Gas Exploration Activities

Revenue from Operations

- The petroleum segment revenue registered a growth of 14.7% driven by increase in sale volume as well as increase in international oil prices.
- The reduction in petrochemical segment is mainly due to lower sales volume on account of shutdown of petrochemicals plants during the year.
- Revenue from other businesses is also higher mainly due to increase in prices during the year.

Profit before Tax

- The Corporation registered a Profit before Tax of ₹32,564 crore in 2017-18 as compared to ₹26,321 crore in 2016-17.
- The Profit before tax from petroleum business is increased by ₹7,590 crore mainly due to write back of provision on Tax disputes of ₹2814 crore and higher refining margins US$ 8.49/bbl during current year (Previous year- US$ 7.77/bbl).
- The petrochemical business registered lower profit mainly due to lower sales volume on account of shutdown of petrochemicals plants.
- Profit from Other Business segment is also higher mainly due to write back of ship or pay liability in Gas business.

Depreciation and Amortization

The Depreciation and Amortization for the year is higher by ₹844 crore mainly due increase in capitalizations in petroleum business (LPG cylinders & pressure regulators, marketing infrastructure, Refinery and Pipeline assets).

Investments

Investments as on 31st March 2018 were ₹47,488 crore as compared to ₹ 47,305 crore as on 31st March 2017. The aggregate market value of quoted investments as on 31st March 2018, i.e., investments made in ONGC Ltd., GAIL(India) Ltd., Oil India Ltd., Chennai Petroleum Corporation Ltd., Petronet LNG Ltd. and Lanka IOC Plc. and Government Securities is ₹ 38,999 crore (as against the carrying amount of ₹ 32,428 crore).

INTERNAL CONTROL SYSTEMS

The Corporation has well-established internal control systems for smooth and efficient conduct of its business. The Corporation 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 and revision is carried out to align with the changing business needs. The Corporation has been one of the first companies in India to institutionalise e-tendering for its procurements whereby a dedicated website was created for e-tendering. The IT team continuously extends IT-enabled services across the entire procurement-to-pay process chain. The Corporation has put in place adequate internal controls which are commensurate with its operations. The Corporation has an independent Internal Audit Department which is headed by Chief General Manager who reports to the Chairman directly. The Internal Audit Department comprises of officers from Finance and technical functions. The audit assignments are carried out as per the Annual Audit Programme approved by the Chairman and the Audit Committee of the Board. Internal Audit carries out extensive audits throughout the year covering each and every aspect of the business. The statutory auditors are also required to issue the Independent Auditor's Report on the Internal Financial Controls of the Corporation under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013. The report issued thereupon has been attached alongwith the standalone and consolidated Financial Statements respectively.

HUMAN RESOURCES

IndianOil has always assigned very high importance towards developing its Human Resources with focus on its core values of Care, Innovation, Passion and Trust. The HR systems and practices of the Corporation focus on diversity and inclusion in all initiatives to build a cohesive workforce. The challenges surrounding the present business scenario can be best mitigated by a workforce which is motivated, adaptive to change, innovative and fast in learning.

Learning forms an integral part of the growth and enrichment of the workforce. The Corporation has adopted Innovative Learning and Development interventions like Competency based Learning apart from the regular programs for upgrading functional skills for developing its human resources. Initiatives such as E- Learning are being introduced and avenues for higher education are being expanded in collaboration with reputed management and technical institutes of the Country, making the workforce future ready. IndianOil has recently bagged the ISTD Award for Innovative Training practises. The Corporation has a structured and robust Succession Planning Framework for identification and development of Leadership Pipeline. IndianOil has not only groomed several Visionary leaders who have led & transformed the Corporation over the years but also proved to be a nursery for grooming leaders for both public and private sectors.

The employees of IndianOil are passionate about their responsibility towards the society at large. The engagement and motivation of the employees is always benchmarked with the national and international standards. IndianOil has been adjudged as the best Public Sector Company and amongst the Top - 50 Companies to work for in India in a study conducted by Great Place to Work Institute in association with Economic Times.

IR CLIMATE

The industrial relations climate in the Corporation has traditionally been harmonious. A collaborative and seamless IR climate has been maintained in the Corporation so that IndianOil people are ready for the challenges faced by the Corporation due to changes in business environment, technology, competition, regulations etc. This has been made possible by sharing the changes in business environment, consequent changes required in strategy and business models of the Corporation, resultant impact on current business and people along with future plans with the Collectives and inviting suggestions, views from them through periodic structured communication meeting with the collectives. The management and the collectives have mutual respect for each other's perspectives and regular structured meetings are held to discuss and deliberate on issues like productivity, welfare and the need to build a responsive and responsible organization. The collectives have always steadfastly supported the Management in overcoming any external challenges faced by the Corporation. The employee strength of the Corporation as on 31st March 2018, was 33,157, which comprises 17,123 executives and 16,034 non-executives.

OTHER INFORMATION

Details regarding the Corporation's CSR programmes, environment protection & Conservation initiatives, technology absorption & adoption efforts, forays into renewable energy and foreign exchange conservation have been included in the Directors' Report and annexure thereto.

CAUTIONARY STATEMENT

Statements in the Management's Discussion & Analysis describing the Company's objectives, expectations or anticipations may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from the expectations. Critical factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of products, input availability and prices, changes in Government regulations/tax laws, economic developments within the country and factors such as litigation and industrial relations.

BUSINESS RESPONSIBILITY REPORT

SECTION A: General Information about the Company

1. **Corporate Identity Number (CIN)**: L23201MH1959GOI011388
2. **Name of the Company**: Indian Oil Corporation Limited
3. **Registered Address**: IndianOil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai-400051
4. **Website**: www.iocl.com
5. **Email Id**: investors@indianoil.in
6. **Financial Year Reported**: 2017-18
7. **Sector(s) that the Company is engaged in (industrial activity code-wise)**: IndianOil is engaged in the business of refining and marketing of petroleum products. It is also engaged in the business of Exploration & Production, Petrochemicals, Natural Gas and Alternative Energy. The code numbers of group, class and sub-class as assigned by National Industrial Classification, Ministry of Statistics and Program Implementation are as under:.

Group	Class	Sub Class	Description
111	1110		Extraction of crude petroleum and natural gas [including liquefaction/ regasification of natural gas for purposes of transport and the production, at the mining site, of hydrocarbons from oil or gas field gases]
		11102	Onshore extraction of petroleum
		11104	Onshore extraction of natural gas
232	2320		Manufacture of refined petroleum products
		23201	Production of liquid or gaseous fuels, illuminating oils, lubricating oils or greases or other products from crude petroleum or bituminous mineral
		23202	Manufacture of paraffin wax
		23203	Bottling of LPG
		23209	Manufacture of other petroleum products not elsewhere classified. (includes manufacture of petroleum jelly, micro-crystalline petroleum wax, slack wax, ozokerite, lignite wax, petroleum coke, petroleum bitumen and other residues of petroleum oils or of oils obtained from bituminous minerals. Manufacture of candles is classified in 3699)
241	2413		Manufacture of plastics in primary forms and of synthetic rubber
		24131	Manufacture of synthetic rubber in primary forms
401	4010		Production, collection and distribution of electricity
401	4010	40105	Generation and transmission of electricity: other power plants using conventional fuels (e.g. gas based)
401	4010	40106	Generation of solar energy
401	4010	40108	Generation of electricity from other non-conventional sources
402	4020	40200	Manufacture of gas; distribution of gaseous fuels through mains
452	4520	45203	Construction and maintenance of roads, rail-beds, bridges, tunnels, pipelines, rope-ways, ports, harbours and runways, etc.
505	5050	50500	Retail sale of automotive fuel [includes the activity of petrol filling stations. This activity is often combined with sales of lubricating products, cleaning and all other kinds of products for motor vehicles. If the main object, however, is the sale of automotive fuel or lubricants, they remain classified here.]
511	5110	51102	Commission agents dealing in wood, paper, skin, leather and fur, fuel, petroleum products, chemicals, perfumery and cosmetics, glass, minerals, ores and metals
514	5141	51410	Wholesale of solid, liquid and gaseous fuels and related products
603	6030	60300	Transport via pipelines [Includes transport of gases, liquids, slurry and other commodities via pipelines. Included are the incidental activities like operation of pump stations and maintenance of the pipeline.]

http://mospi.nic.in/sites/default/files/main_menu/national_industrial_classification/nic_2004_struc_detail.pdf

8 **List three key products / services that the Company manufactures / provides (as in balance sheet)**:
Petroleum products, Petrochemicals & Gas

9 **Total number of locations where business activity is undertaken by the Company**:

(i) **Number of International locations (as on 31.03.2018):**
The Company undertakes overseas business activities through its subsidiaries in Mauritius, Sri Lanka, UAE, Sweden, USA, Netherlands and Singapore. In addition, the Company is engaged in exploration and production (E&P) of crude oil and natural gas in USA, Canada, Venezuela, Libya, Gabon, Nigeria, Russia, Oman and UAE.

(ii) **Number of National locations (as on 31.03.2018)**

Locations	Numbers
Operating Refineries	9
Depots & Terminals	125
Aviation Fuelling Stations	107
LPG Bottling Plants	91
Lube Blending Plants	10
Pipelines Terminals	87
R&D Centre	1
Retail Outlets (including Kisan Seva Kendra)	27089
Kisan Seva Kendra (Rural Petrol/Diesel Stations)	7529
LPG Distributors (including distributorships under Rajiv Gandhi Gramin LPG Vitarak Yojana)	10213
SKO/LDO Dealers	3897
Consumer Pumps	6650
Solar Power Plants	3
Wind Power Project	6
Petrochemical producing plants	3
Explosives Plant	12
Cryogenics Plant	1

10. **Markets served by the Company – Local / State / National / International**: National & International

SECTION B: Financial details of the Company

1. **Paid up capital (INR)**: ₹ 9,711.81 Crore
2. **Total turnover (INR):** ₹ 5,06,428 Crore
3. **Total profit after taxes (INR):** ₹ 21,346 Crore
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax:** 1.55% of the profit after tax during financial year 2017-18
5. **List of activities in which expenditure in 4 above has been incurred:** The major areas in which CSR expenditure incurred were 'Safe drinking water and protection of water resources', 'Healthcare and sanitation', 'Education and employment-enhancing vocational skills', 'Empowerment of women and socially/economically backward groups'.

   The details of activities are provided in Annexure C to the Directors' Report.

SECTION C: Other Details

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

   The details of Subsidiary companies are placed below:

Name of Subsidiary	Indian / Overseas	Business
Chennai Petroleum Corporation Limited (CPCL)	Indian Subsidiary	Refining of crude oil and manufacture of petroleum & petrochemical products
IndianOil (Mauritius) Limited, Mauritius	Overseas Subsidiary	Terminalling & Retailing & Aviation refuelling
Lanka IOC PLC, Colombo, Sri Lanka	Overseas Subsidiary	Retailing, Terminalling & Bunkering

Name of Subsidiary	Indian / Overseas	Business
IOC Middle East FZE, Dubai, UAE	Overseas Subsidiary	Lube Blending & Marketing of Lubricants & Base Oil
IOC Sweden AB, Sweden	Overseas Subsidiary	Investment company for E&P Project in Venezuela
IOCL (USA) Inc., USA	Overseas Subsidiary	Participation in Shale Gas Asset Project
IndOil Global B.V., Netherlands	Overseas Subsidiary	Investment company for integrated LNG project in Canada
IOCL Singapore Pte. Ltd.	Overseas Subsidiary	Investment company for E&P assests in Russia and trading operation for procurement of crude oil and import/export of petroleum products

The corporation has opened new overseas offices in Yangon, Myanmar and Dhaka, Bangladesh towards expanding marketing of finished Petroleum Products, Petrochemicals, Lubricants etc in the neighboring countries as well as development of infrastructure.

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

   IndianOil has1 Indian subsidiary and 7 overseas subsidiaries. The subsidiary companies are not participating in BR initiatives of IndianOil.

   CPCL is a listed Mini-Ratna Company, which has its own BR initiatives and adheres to such other guidelines, as issued by the Government from time to time.

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

   IndianOil is mindful of its environmental responsibilities and actively pursues solarisation of Retail Outlets (ROs) through its network of RO dealers. As part of organisation's endeavour towards greening of its supply chain, the 'Retail Outlet (RO) Solarization' program was kick-started in 2011, wherein the RO dealers were sensitized about the benefits arising out of replacing the Diesel Generator sets at their ROs with Rooftop Solar Photovoltaic Cells.The initiative has gained traction over the years, with 9140 ROs having been solarised as on 31.03.2018, which is approximately 34% of the IndianOil's RO network.

SECTION D: BR Information

1. **Details of Director responsible for BR:**

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

   Director name: Shri G. K. Satish

   DIN: 06932170

   Designation: Director (Planning & Business Development)

   (b) **Details of the BR Head:**

   DIN Number (if applicable): NA

   Name: Shri Subodh Kumar

   Designation: Executive Director (Alternate Energy and Sustainable Development)

   Telephone number: 011-24362170

   e-mail id: ksubodh@indianoil.in

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Do you have policy / policies for Principle #	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Has the policy been formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Does the policy conform to any national / international standards? If yes, specify? (50 words)	IndianOil has framed various policies, which conform to different applicable statutes / guidelines / rules / policies etc. issued by Government of India from time to time. Industry practices, national / international standards are kept in view while formulating the policies.								

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	The policies are approved by the Board / Competent Authorities as per the approved Delegation of Authority.								
Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes. The details are provided under the respective principles.								
Indicate the link for the policy to be viewed online?	The details of the links are given below.								
Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Does the company have in-house structure to implement the policy / policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The policies are not audited / evaluated by external agencies. However, the policies are formulated within the ambit of the statutory guidelines and business requirement, which are amended from time to time as per business / environmental / Government requirements.								

Various policies/rules of the Corporation along with their weblinks are given below:

Policies & Rules	Weblinks
Code of conduct for Directors and Senior Management Personnel.	https://iocl.com/download/Code_of_Conduct_for_Board_Members_&_SMP.pdf
Code of conduct for prevention of Insider Trading	https://iocl.com/download/IOC_Insider_Trading_Code_2015.pdf
Whistle Blower Policy	https://iocl.com/InvestorCenter/Whistle_Blower_policy.pdf
Sustainability & Corporate Social Responsibility Policy	https://www.iocl.com/AboutUs/IOC_S&CSR_Policy_07_2015.pdf
Policy on Related Party Transactions	https://www.iocl.com/InvestorCenter/Policy_on_Related_Party_Transactions.pdf
Policy for determining Material Subsidiaries	https://www.iocl.com/InvestorCenter/Policy_on_Material_Subsidiary.pdf
Policy for determination of material / price sensitive information and disclosure obligations	https://iocl.com/download/Policy_on_Materiality_of_events_or_information_rev.pdf
Dividend Distribution Policy	https://iocl.com/download/Dividend-Distribution-Policy-1-12-16.pdf
Policy for Preservation of Documents	https://iocl.com/download/Policy_on_preservation_of_documents.pdf
Citizens charter	https://www.iocl.com/Talktous/CitizensCharter.aspx

2a. If answer to S.No. 2 against any principle, is 'No', please explain why: (Tick up to 2 options)

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The company has not understood the Principles	Not Applicable								
The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
The company does not have financial or manpower resources available for the task									
It is planned to be done within next 6 months									
It is planned to be done within the next 1 year									
Any other reason (please specify)									

3. Governance related to BR

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

Various principles of BR performance are integral to the day-to-day operations of the Company and the same are industries reviewed by the Board / Committees of the Board as and when required.

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

IndianOil publishes every year both the Sustainability Report and the Business Responsibility Report. The Business Responsibility Report is being published as a part of the Annual Report since 2012-13.

The Sustainablitity Report for the FY 2017-18 can be accessed at the following link:

https://www.iocl.com/AboutUs/sustainability.aspx

SECTION E: PRINCIPLE WISE REPLY

Principle 1: Businesses should conduct and govern themselves with ethics, transparency and accountability.

An organization with a good corporate governance image can leverage on it to create a greater brand value that would attract customers, investors, suppliers and contributors. Giving paramount importance to "Trust", IndianOil believes that the bond between internal and external stakeholders is of immense value to help translate the blueprint of growth into enduring accomplishments.

IndianOil conducts its business with utmost accountability, transparency and integrity, ensuring fairness for all the stakeholders. To ensure an ethical and efficient business conduct at all levels in order to maximize the value for every stakeholder, it has been striving to build an environment of trust and confidence. A well-defined policy framework and strong structural set-up are keys to effective implementation of corporate governance initiatives. IndianOil's policies have been formulated after detailed deliberations amongst the concerned stakeholders. The policies are reviewed from time to time to cater to the emerging and new business paradigms. The policies are regularly communicated to all relevant internal and external stakeholders.

IndianOil has a well structured and evolved system of "Delegation of Authority"(DoA) [which provides clarity regarding financial powers delegated at various levels of hierarchy for ease of decision making] and "Financial Concurrence" (FC) [which ensures accountability and financial control], which are hallmarks of a "mature and responsible" Organization. The "Conduct, Discipline and Appeal Rules (the CDA Rules)," which govern the conduct of all officers of the company have outlined the company's approach to assess and ascertain fraud risks and reporting, investigating and responding to suspected incidents of corruption. IndianOil has adequate measures in place to address issues relating to unethical acts, bribery and corruption within the context of appropriate policy guidelines issued by the Government from time to time. The employees are mandated to comply with anti-corruption policies. The Vigilance Department carries out various preventive activities viz., awareness creation through training/ workshop on the Central Vigilance Commission (CVC) rules/guidelines, ensuring quality and quantity of products in transit as well as sales points across the country, studies to bring out irregularities/ inconsistencies, bringing transparency and fair prices/cost in awarding as well as execution of contracts. There is an inbuilt mechanism in the Company to check anti-competitive behaviors in tandem with all government policies. IndianOil has implemented Grievance Redressal Mechanism and Whistle Blower's Policy which ensures availability of adequate mechanism to encourage disclosures of any misconduct. For external stakeholders, a well laid down grievance redressal system is in place with adequate provisions to escalate the matters up the hierarchy, up to the Board.

In furtherance of the Corporate mission of "Vision with Values", in July 2008, IndianOil adopted and implemented Integrity Pact (IP) Program, as recommended by Central Vigilance Commission (CVC), to enhance transparency, fairness and competitiveness in tendering processes through the mechanism of Independent External Monitors (IEMs).

IndianOil has taken up various measures to ensure transparency and accountability in its working at all levels, viz. e-tendering for procurement of goods and services (https://iocletenders.gov.in/nicgep/app), providing details relating to Right to Information (RTI), contact details of PIO, RTI Manual, etc. at IndianOil website (https://iocl.com/Talktous/right-to-information.aspx), Citizens Charter (https://iocl.com/Talktous/Citizens Charter.aspx) and online application to Vigilance Department (https://iocl.com/VigilanceInquiry.aspx).

Principle 1 Questions

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

   Yes, the policy related to ethics, bribery and corruption covers only the company.

   IndianOil's Group Companies/ Joint Venture Companies are separate legal entities having their own policies and procedures.

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

Stakeholder	No of complaints received	No of complaints resolved	% Resolved	Remarks
Related to services, tenders and through Public Grievance Redressal	7693*	7693	100%	*Complaints received through Public Grievance portal, Government of India.
shareholders` Complaints	3474	3474	100%	These are investor complaints forwarded by MCA / SEBI / Stock Exchanges as well as those directly raised with the company.
Related to consumers/ customers	373588	371549	99.45%	Retail Sales: Out of 16,861 complaints, 16,700 complaints (99.05%) were resolved. LPG: Out of 3,56,429 Feedback/complaints, 3,54,551 complaints (99.47%) were resolved. Lubes: All 18 complaints have been resolved. Institutional Business: All 227 complaints have been resolved. Cryogenics: All 53 complaints have been resolved
Related to Integrity Pact (IP)	13	13	100%	All complaints received under IP were tabled before the panel of IEMs for joint deliberation and recommendation. Compliance to IEM recommendations were complied by the concerned Functional Groups / Departments and apprised to IEMs subsequently.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

IndianOil believes in integrating its sustainability initiatives with the business strategy and is committed to grow in an environmentally responsible and socially inclusive manner. IndianOil is focused to continuously innovate, reduce our environmental footprint, utilize the resource optimally and operate responsibly. IndianOil ensures that the operations across the entire value chain comply with highest standards of health, safety and environment. The 'Alternate Energy & Sustainable Development' Group, formed at the Corporate level, under Planning & Business Development Division, implements various action plans to tackle threats posed by climate change, global warming and other environmental issues.

IndianOil is committed to provide cleaner fuels and supply BS-VI complaint auto fuels across the country from 1st April 2020. In a significant progress, IndianOil is upgrading its terminals to SMART terminals, in which Tank-Truck filling operation is fully automated from its entry to exit from the terminal. With a single SMS the loading of Tank Trucks are now possible in a transparent manner. With the help of technology, the system has been developed which has assured safe operation with assured quality and quantity. The Corporation is focused to grow stronger in Natural Gas Business by investing in LNG Terminals, gas pipelines etc. Also, IndianOil is also planning to market Bio-CNG produced from various bio-mass / waste sources like agricultural residue, municipal solid waste, sugarcane press mud, distillery spent wash, cattle dung and sewage treatment plant through its retail outlets. This initiative would lead to reduction in methane emissions generated by the decay of organic wastes besides generating clean energy. IndianOil is relentlessly focused to increase the proportion on ethanol blending in its fuel offerings.

IndianOil's state-of-the-art R&D centre located at Faridabad has helped in delivering high quality products with lower emission intensity besides developing environmental friendly formulations, alternate fuels like hydrogen fuel and technologies to improve refinery operations ensuring resource efficiency. The Corporation has taken a proactive approach in managing the environmental impact viz., reducing the emissions and water intensity in the entire value chain, reduce/recycle the waste generation and disposing the waste generated in a most environment friendly manner. Disposal of oil sludge using the bioremediation method is an example. In an effort to ensure environment sustainability, IndianOil has undertaken a number of initiatives viz., energy efficiency, energy conservation, renewable energy generation, waste & water management, rainwater harvesting, tree plantation, etc.

Principle 2 Questions

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

   1. Pradhan Mantri Ujjwala Yojana (PMUY): In its continuous effort to provide clean fuel to people below poverty line (BPL) under the PMUY scheme, IndianOil has released 73.80 lakh LPG connections to the BPL families during the year 2017-18.

2. BS-VI Fuel: IndianOil has successfully launched BS-VI fuels in National Capital Territory w.e.f. 1.4.2018, two years ahead of schedule for the roll-out, as per the accelerated three-phase launch timeline, while the nationwide deployment is slated to commence from 1.4.2020.
3. SERVO Green Pumpset Oil 20W-40: IndianOil has developed 'SERVO Green Pumpset Oil 20W-40' for the agriculture pump sets. "Servo Green Pumpset oils" are recommended for use in slow, medium and high speed stationary diesel engines equipped on agricultural pump sets operating on HSD or LDO.

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

- **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**
- **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

1. Pradhan Mantri Ujjwala Yojana: The initiative under PMUY scheme would help in arresting deforestation, eliminating use of biomass like agricultural residue, wood, cow dung etc. for cooking purposes. This fuel conversion has also helped in eliminating domestic pollution and thus, improving the health of women from BPL families.
2. BS VI Fuel: The sulphur content in BS VI fuel is 10 parts per million (PPM) which is substantially lower than that of BS IV fuel which has a sulphur content of 50 PPM. BS VI fuel would help to reduce particulate emissions as the sulphur content in the fuel leads to fine particulate emissions.
3. SERVO Green Pumpset Oil 20W-40: In 'SERVO Green Pumpset Oil 20W-40,' 25 % virgin base oil component is substituted by Re-refined base oil. This leads to conservation of raw material resource to the same extent in the base oil component.

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

(i) If yes, what percentage of your inputs was sourced sustainably? Also provide details thereof in about 50 words or so.

IndianOil's business interests extend across the entire hydrocarbon value chain – from exploration & production, refining, pipeline transportation to marketing of petroleum and petrochemical products. In its business pursuit, crude oil is the major raw material which accounts for over 90% of total material consumption in terms of value.

IndianOil has well diversified basket for crude oil sourcing involving long term contracts for its overseas procurement besides partnering with domestic upstream oil & gas companies for indigenous procurement. During the year, Corporation improved its share of indigenous procurement (17.88%, in terms of value vs. 16.96% during the previous year) leading to reduced dependence on imports. The corporation also strengthened its position as an upstream player by building a portfolio of oil & gas assets, with participating interest in 9 domestic and 10 international blocks which would ensure uninterrupted crude supply in the long term.

IndianOil's vast network of pipelines or the "Underground Highways", as they are referred to within the organisation, are the most energy-efficient and environment-friendly mode of transportation. The 13,391 km long pipeline network, as on 31.03.2018, is productively used for supply of crude to Refineries and delivery of petroleum products to marketing terminals.

- During the year, IndianOil transported 73.068 MMT of crude oil through a combination of time charter & voyage charter based on the parcel size, prevailing market price, logistics involved including co-loading of different parcels for optimisation of freight cost.
- Approximately 83% of imported crude oil was transported through very large crude carriers.
- Achieved 98% utilization of time charter vessel through proper planning in deployment of vessels.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Conforming to the Public Procurement Policy for Micro and Small Enterprises Order, 2012, Public Sector Enterprises are required to procure a minimum of 20% of total annual value of goods or services from MSEs. IndianOil has put in various efforts to procure items specified for procurement from MSEs and has provided necessary provisions in all the tenders stating the eligibility of MSEs to participate in the tenders. To encourage the procurement from MSEs, the Corporation has exempted MSEs from paying tender fees / earnest money deposit. A total of 24.09% (excluding crude oil & gas) procurement was done through MSE's during the year 2017-18 as against the target of 20%. Vendor development programmes 54 numbers were conducted during the financial year by the Corporation to develop MSEs. IndianOil has also been promoting MSEs through various other activities. Some of the initiatives taken by IndianOil are as follows:

- IndianOil is putting up stalls at Regional MSE Meets/Exhibitions to display the products procured by IndianOil whichcan be developed by local and small vendors. Skill Development centres have also been set up by a few units to improve skills and employability of local youth.

- Purchase preference is given to MSE vendors who are in the ambit of L1+15% and willing to match the L1 Price.
- In case MSE owned by SC/ST becomes eligible for purchase preference, irrespective of its ranking among the MSEs, the entire 20% quantity/service is being awarded to them.
- Waiver of EMD is granted to all MSE vendors irrespective of the category of Registration i.e. Goods or Services.
- Vendors Meets being organized at all Regions to have direct interaction with vendors.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products**

IndianOil undertakes various measures to minimize the waste generation in its operation and to improve its resource efficiency, ensuring optimal use of resources. The Corporation aims to reuse/recycle the waste including waste water generated at the site by adapting various technology measures. Slop oil generated from process units and sludge processing modules in refineries is reprocessed in Crude Distillation Units, Visbreakers and Delayed Cokers. Waste water generated from refineries is treated in Effluent Treatment Plants and Sewage Treatment Plants. The treated water is reused as makeup water in Cooling Towers, Fire Water Headers and Horticulture. During 2017-18, the refineries have recycled around 89% of waste water generated. Spent catalyst from RFCC units is sent for co-processing in cement industries, while other spent catalysts are sent to authorised recyclers for recovery of noble and other precious metals. The oil sludge is disposed through bioremediation process.

To treat the organic waste generated, Organic Waste Convertors(OWCs) and Biogas Plants have been installed at the locations. The biogas generated is used for cooking purpose. During the year 2017-18, the Corporation has treated 338 tonnes of organic wastes through Biogas Plants/OWCs installed across its locations. IndianOil has also taken waste paper recycling initiative and partnered with third party recyclers who would collect the waste paper and provide new paper stationeries against the same. During the year 2017-18, IndianOil recycled around 130 tonnes of waste paper through third party recyclers. Buy-back Policies are in place for disposal of waste materials wherever feasible.

During the year, about 89% of treated effluent water was reused/ recycled within the refineries. At all marketing locations, Oil Water Separators have been provided to separate oil and water. Oil is reclaimed and recycled and water samples are monitored ensuring the compliance of effluent standards before discharging outside the installations.

All polymer products produced by IndianOil are 100% recyclable. Information pertaining to the "recyclable" nature of the products is mentioned on the packaging as per the ASTM International Resin Identification Coding System. For indication purpose, a recycling symbol is associated with the product produced. For example recycling symbol "2" is associated with HDPE. Recycling symbol "5" is used for PP per IS 14534: 1998 standard on packaging bag. It indicates that even packaging woven sack is recyclable too.

<u>Principle 3: Businesses should promote the wellbeing of all employees</u>

IndianOil considers its human resource as the most valuable asset and is wholly committed to investing in their growth and quality of life. IndianOil actively promotes the well-being of its employees and their families.

IndianOil maintains townships at various locations throughout the country. Most of the townships located at its Refinery locations are self-sufficient with all the basic amenities viz. outdoor and indoor medical facilities, schools, markets, clubs, recreation centres, etc. IndianOil provides adequate medical facilities to its employees and their dependent family members. It facilitates education of employees' children by setting up schools in the townships. It also conducts annual games/ sports meets, cultural meets, etc. for its employees and their familmembers.

IndianOil conducts internal customer survey to generate ideas and seek suggestions for simplifying and enhancing HR services, including issues pertaining to employee welfare.

Women employees are encouraged to represent the organization in various fora. To promote gender sensitivity and to improve transactional relationship, workshops and training programs are conducted regularly through domain specialists across its establishments.

IndianOil extends various types of special leaves to its women employees viz. maternity leave, husband joining leave, child care leave, child adoption leave, etc. All the women employees of IndianOil are part of the women centric forum WIPS (Women in Public Sector). IndianOil has won the "First Prize for Best Enterprise Award, a tribute to Excellence in Public Enterprise Management under Maharatna Category" by the Forum of WIPS. Various training programs are organized on topics ranging from prevention of sexual harassment (POSH), self-defence, awareness on sexual and work-place harassment to stress management and organizational behaviour from time to time.

IndianOil has launched Project "Saksham" - a structured Leadership Competency Development Programme as part of the

Organization's focus on Leadership Development. This unique learning & development initiative aims at providing our leaders with the best of the inputs required to effectively play their leadership roles and nurture the competencies of the future leaders.

IndianOil has won the international Leadership Excellence & Development (LEAD) Award, under the category "Innovation in deployment of leadership programmes" as well as ISTD National Training Award (First Prize) for "Innovative training practices" for Project "Saksham".

IndianOil has been declared as the "Best PSU to Work For" in India and 27th overall in India by Great Place to Work Institute, in association with Economic Times.

Principle 3 Questions

1. **Please indicate the total number of employees.** 33,157

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

S. No.	Particulars	Numbers
1.	Contract Labour	59,813
2.	Casual Labour	11
3.	Total Consultants/ Liaison officers/ doctors on contract, etc	115

3. **Please indicate the number of permanent women employees.**

   2,770

4. **Please indicate the number of permanent employees with disabilities.**

   603

5. **Do you have an employee association that is recognized by management?**

   Yes. IndianOil has 25 recognised unions representing non-executive employees of the organisation and one officers' association representing the executives.

6. **What percentage of your permanent employees is members of this recognized employee association?**

   Above 95%

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr. No.	Category	No. of complaints filed during 2017-18	No. of complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	1	3
3	Discriminatory employment	Nil	Nil

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

Sr. No.	Category	% of employees given safety & skill up-gradation training during 2017-18
1	Permanent Male employees	67.5%
2	Permanent Women Employees	89.2%
3	Permanent Employees with Disability	32%
4	Casual/Temporary/Contractual Employees/Contract labor	98.2%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

IndianOil values its stakeholders and continuously engaged them through various fora throughout the year. These fora are aimed to understand stakeholders' opinions and to build trust and long term relationships by way of structured collaborations and communications across earmarked channels. IndianOil has a vast number of avenues in place, to enable communication with stakeholders. These channels help gain deeper insights into the expectations of the stakeholders.

IndianOil is committed to create a path for economic and societal prosperity for various sections of society, empowerment of women and other marginalized groups etc., with focus towards inclusive growth. For engagement of disadvantaged, vulnerable and marginalized external stakeholders, various initiatives viz. allotment of dealership/ distributorship, petty contracts, CSR initiatives, etc. are undertaken.

At the apex level, Board committee on Stakeholders' Relationship has been constituted which examines and redresses grievances of the shareholders and the investors. Further, the Company has also constituted a Corporate Social Responsibility and Sustainable Development Committee at the Board level, which guides and monitors initiatives taken under Sustainability and CSR Policy of the Corporation.

Stakeholder Group	Engagement Channel	Issues	Frequency
Government/ Regulatory Bodies	Meetings Industry Forums, Regular Updates.	Policy implementation review, Apprising the Government on organization plans and progress, Communicating industry's challenges and issues, etc.	Annual, Quarterly, Monthly, weekly
Media	Website, Event, Press Meet, Investor meet, Social Media Platform.	Sharing information to stakeholders	Need based
Industry/ Trade Associations	Meetings, Seminars, Workshops, etc.	Policy advocacy, Interfacing for formulating and implementing Policies, etc.	Need based
Shareholders	Annual General Meeting, Investor's Meet, Website, Social Media Platform, Grievance Redressal Mechanism, Annual Reports, Sustainability Report	Financial Performance, Future Strategies, Shareholders Concerns, etc.	Annual, Quarterly, Need based
Business partners/ contractors	Dealer/ Distributor/ KSK Conventions, Transporters' Meet, Meetings with Contractors/ Vendors, Seminars/ Workshops	Supply & Distribution, Quality and Quantity, Customer Satisfaction, etc.	Annually, Quarterly, Need based
Community	Awareness Programmes, Meeting, Public Hearing	Corporate Social Responsibility initiatives, societal priorities, etc.	Need based
Financial Institutions	Investors' meet, Annual General Meeting, Road-Shows, Website	Financial Performance, Future strategies, Shareholders' Concern, etc.	Annually, quarterly, as required
Employees	Surveys, Events, Employe-Centric applications, Seminars, Periodicals, Workshops/Training,. Website, Social Media Platforms	Communicating Policies & Performance, Resolving issues/ Concerns, etc.	Annual, Quarterly, Monthly, weekly
Customers	Grievance Redressal Forum, Public Hearing, Customer Care Programmes, Helpline Numbers, Website	Feedback on product and services, Suggestions and Complaints Redressal, etc.	Need based
NGO	Regular meetings, Project collaborations	CSR inititatives review / implementation	Need based
Academic & Scientific community	Student Relations Programmes, Sponsorship Initiatives, Academic Institutions, Guest Lectures	Skil Enhancement of employees, faculty and other stakeholders	Need based

<u>Principle 4 Questions</u>

1. **Has the company mapped its internal and external stakeholders? Yes/No.**

   Yes, the Company has mapped its internal and external stakeholders

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

Yes. The Company has identified its disadvantaged, vulnerable and marginalized stakeholders

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

   Yes, IndianOil meticulously follows the presidential directives and guidelines issued by Government of India regarding reservation in services for SC/ ST/ OBC/ PWD (Persons with Disabilities)/ Ex-servicemen to promote inclusive growth.

   There is also a 33% reservation for women entrepreneurs in award of Kisan Seva Kendra distributorships. This initiative has not only helped in motivating women entrepreneurs to take up business activities but has also helped in making them independent and contributes positively to the society. Special initiatives are taken up under Corporate Social Responsibility to empower the disadvantaged, vulnerable and marginalised sections of the society.

Principle 5: Businesses should respect and promote human rights.

IndianOil is an equal opportunity employer and there is no discrimination among the employees on the basis of caste, tribe, religion or region in extending the various welfare facilities to take care of employees' health, efficiency, financial wellbeing, social status, satisfaction, employment, growth, remuneration or development, etc. All contracts have laid down terms and conditions (under General Conditions of Contract) for the vendors and suppliers instructing them to comply with the human rights aspects. Though the terms and conditions of engagement between the contractor and the labour are governed by the respective contract, IndianOil, being the principal employer, ensures that there is proper adherence to the provisions of EPF & MP Act, 1952/ESI Act 1948 covering social security aspects like PF, ESI etc. All the contractual labour engaged are governed by the Contract Labour (Regulation and Abolition) Act, 1970.

All the vendors and suppliers are also made to submit a written declaration stating that they have not engaged child labour at their facilities and any industry deploying child labour is discouraged from doing so. No forms of forced or compulsory labour is supported by IndianOil. All our installations are monitored and reviewed periodically to ensure human rights compliance and a robust redressal mechanism, accessible to all employees, has been structured to ensure grievance handling. Abiding by the provisions of the Minimum Wages Act 1971, the minimum wages paid to the employees and contractors are revised periodically and salary paid to employees of all categories fulfills all norms of the act as prescribed by the Government of India. There is a zero tolerance towards sexual harassment at workplace and a stringent policy in this regard has been implemented across all locations and installations. All reported cases of sexual harassment are inquired into by a Complaint Committee. If proved, a disciplinary action is taken in accordance with the Conduct, Discipline and Appeal Rules (CDA Rules) against the delinquent employee(s).

During the year 2017-18, no incidents of human rights violations were reported. No incidents involving rights of indigenous people and discriminated practices or significant disputes involving local communities and indigenous people were reported during the year 2017-18. No instances of forced, compulsory or bonded labour were reported during the year. No child labour was employed at any of our establishments and a minimum age limit of 18 years for permanent and contract labour was maintained.

Principle 5 Questions

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/Others?**

   IndianOil's Group Companies/ Joint Venture Companies are separate legal entities having their own policies and procedure.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   Please refer to the response to Question no 2 under principle 1.

Principle 6: Business should respect, protect, and make efforts to restore the environment.

IndianOil is committed to conduct its business with a strong environmental conscience, ensuring safe workplaces and improve the livelihood of poor and marginalized communities. Efforts are made to ensure responsible use of natural resources, minimize the waste generation and reuse/recycle the waste generated in its operation.

At the apex level, it has formed a Board Committee on Corporate Social Responsibility and Sustainable Development , which guides and monitors the CSR & Sustainable Development initiatives. IndianOil Board has approved policies on "Sustainability & CSR" and "Health, Safety & Environment". In order to implement and monitor sustainability related initiatives and address environmental issues viz. climate change, global warming, etc, IndianOil has formed the Alternate Energy & Sustainable Development (AE&SD) Group under Planning & Business Development Division at the Corporate level.

IndianOil continually strives to mitigate the environmental impact from its business activities by investing in state-of-art technologies, effluent & solid waste management, environment monitoring and reporting, bio-diversity conservation efforts and up-gradation and sustenance of environment management systems. All the major units are accredited to international standards viz. ISO-14001 for environmental management systems.

In a major effort to adopt sustainable practices, IndianOil is carrying out annual carbon and water footprinting exercises across its locations. IndianOil has taken a voluntary target to reduce its specific carbon and specific water footprint by 18% and 20% respectively by 2020, with 2012-13 as the base year data. IndianOil has undertaken various sustainability initiatives in the field of energy efficiency, energy conservation, renewable energy, tree plantation, waste/biomass to fuel, LED lighting, rainwater harvesting etc., as part of climate change mitigation strategy. It is also tapping the renewable energy potential by foraying into wind power, solar power, setting-up 2G ethanol plants, waste to energy plants and Bio-CNG marketing.

Key missions and glimpses of IndianOil's environmental initiatives are given below:

- All the major units are accredited to international standards viz. ISO-14001 for environmental management systems
- IndianOil has installed 25 organic waste convertor/Biogas plants at various locations to treat the organic waste generated
- During 2017-18, the ENCON measures implemented at refineries resulted in an estimated savings of 63,093 SRFT.
- By undertaking various energy efficiency initiatives across the refineries, best ever Fuel & Loss (F&L) and Specific Energy Consumption (MBN) of 8.75% and 72.6 respectively during the year 2017-18 have been achieved.
- IndianOil has installed 561 rain water harvesting systems across various locations. The RWH systems have a potential to harvest 3 billion litres of rain water per annum.
- IndianOil has cumulatively commissioned 202 MW of renewable power as on 31st March 2018, which includes 168 MW of wind power and 34 MW of solar power. In an effort to greening the value chain, IndianOil has undertaken retail outlet solarisation initiative. As on 31st March 2018, 9140 retail outlets were solarised with a cumulative capacity of 38 MW. Till 31st March, 2018, IndianOil has sold more than 4.1 lakh solar lanterns, through various channels.
- During 2017-18, 16 events were made carbon neutral by carrying plantation of over 1000 trees.
- IndianOil has undertaken tree plantations across the refineries, townships and other installation to develop green cover. During 2017-18, around 1,22,000 trees were planted across IndianOil locations.
- Gujarat Refinery received three grievances through GSPC in 2017-18, with respect to foul smell in Vadodara city, dumping of waste at Chamunada nagar- GIDC, Smell in areas of Jetalpur and Refinery boundary and the same were duly addressed and resolved.
- In Ahmednagar, public grievance case for contamination of Groundwater caused due to leakages of products from petroleum storage tanks and pipelines installed by IndianOil & BPCL was filed and the same is pending with National Green Tribunal (NGT). All the directions given by NGT court are complied by IndianOil.
- There have been no show cause/ legal notice received from CPCB/SPCB for the year 2017-18. Further, no fines, monetary or non-monetary sanctions, for non-compliance with environmental laws and regulations have been reported during the year.

Principle 6 Questions

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/ NGOs/others.**

   The policy on Health, Safety and Environment covers the Company only.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   Yes. IndianOil is committed to minimize and mitigate the environmental impacts wherever it operates, and ensure responsible utilization of natural resources. The initiatives include energy efficiency, energy conservation, renewable energy generation, waste & water management, rainwater harvesting, tree plantation, etc. Besides solar PV projects and wind power projects, IndianOil has also ventured into bio-energy and hydrogen fuels towards harnessing clean energy options. IndianOil monitors its GHG emission and water consumption patterns and is taking dedicated efforts to reduce its overall environmental footprint. IndianOil is continuously optimising water consumption in its operations through various water efficiency measures. Various Energy Conservation (ENCON) measures are underway to mitigate the carbon emissions at our operating locations.

   Together with other Oil & Gas PSUs, IndianOil has undertaken a study on "Climate Change Risks: Preparedness for Oil and Gas Sector" through TERI. The study aims to provide a comprehensive analysis of threats to our locations from climate change and will provide a way forward to tackle the challenges posed by it.

   The AE&SD Group formed at the Corporate level aims to identify and address the risks related to climate change. IndianOil publishes its sustainability report every year highlighting triple bottom-line performance of the company and the same can be accessed through Corporate Sustainability webpage in the following link http://www.iocl.com/Aboutus/sustainability.aspx

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

   Yes.

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

   IndianOil has 6 registered CDM projects. However, due to low prevailing CER prices, the registration of all 6 CDM projects with United Nations Framework Convention on Climate Change has been temporarily discontinued.

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

   Yes. IndianOil is moving towards low carbon future through various means like renewable energy generation, setting up of biofuel plants, waste-to-energy plants, exploring opportunities for manufacturing & retailing of Lithium-ion batteries etc. The renewable power portfolio includes grid connected wind power, grid connected and off-grid solar power. IndianOil is implementing Solar Photo Voltaic plants across rooftops as well as spare lands across the installations. As on 31st March 2018, our cumulative installed capacity of renewable power is 202 MW. This includes 168 MW of wind power, 17.5 MW of grid connected solar power and 16.5 MW of off-grid solar power projects.

   During the year 2017-18, the power generated from the renewable energy projects is 337 million units (kWh), which corresponds to an emission reduction of 277 TMTCO_2e (thousand metric tonnes carbon dioxide equivalent).

   IndianOil has solarised around 2,533 retail outlets during the year under the initiative of Retail Outlets Solarization. Cumulatively, 9140 Retail Outlets have been solarised with installed capacity of 38 MW as on 31st March 2018. Retail outlet solarisation has helped in reducing grid dependency and diesel generator sets besides reducing the overall energy cost and the carbon footprint. Under the LED implementation initiative, the Corporation has installed around 3.4 lakh LED Lights at its locations as on 31st March 2018. IndianOil has so far installed 561 rainwater harvesting systems across the locations with the catchment area of more than 1,000 hectares and with rainwater harvesting potential of 3 billion litres per annum.

   IndianOil has commissioned three waste-to-energy plants of 5 tonnes per day capacity each, at Varanasi, under Swachh Bharat Abhiyan. Two plants, one each at Pahadiya Mandi and IDH Hospital were commissioned during 2017-18. The total power generated during the year 2017-18 from these three waste to energy plants is around 38,650 units (kWh). IndianOil is also setting-up three 2nd Generation Ethanol Production plants at Panipat (Haryana), Gorakhpur (UP) and Dahej (Gujarat) of 100 KL per day capacity each. IndianOil has also entered into MoUs with various parties for retailing of Bio-CNG and Compost through IndianOil retail channels.

   The details of the Corporation's Sustainability initiatives can be accessed at the following links:

   http://www.iocl.com/Aboutus/sustainability.aspx

   https://www.iocl.com/AboutUs/environment(GFA).aspx

   https://www.iocl.com/AboutUs/Environment.aspx

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

   Yes. The Emissions/Waste generated by the company is within the permissible limits given by Central Pollution Control Board (CPCB)/State Pollution Control Board (SPCB) for FY 2017-18.

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

   There are no show cause / legal pending notices received from CPCB/SPCB, which are pending (i.e. not resolved to satisfaction) as on 31st March, 2018.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

IndianOil understands its responsibility to function within the democratic set up and the constitutional framework. It recognizes that businesses operate within the specified legislative and policy frameworks prescribed by the Government, which guide their growth and also provide for certain desirable restrictions and boundaries. It actively participates with various Committees of the Govt. of India and other organisations for advancement and improvement of public good. IndianOil also supports United Nations Global Compact (UNGC) for implementing the guiding principles in the United Nation's agenda such as human rights, labour standards, environment, anti-corruption etc. IndianOil believes that policy advocacy must preserve and expand public good and thus shall never advocate any policy change to benefit itself alone but always shall for the benefit of society at large.

Principle 7 Questions

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

Yes, the details are given below:

Association	National/International
Advertising Standards Council of India	National
All India Industrial Gas Manufacturers Association	National
All India Management Association	National
Associated Chambers of Commerce and Industry of India	National
Association of Business Communicators of India	National
Confederation of Indian Industry	National
Council of Indian Employers	National
Federation of Indian Chambers of Commerce and Industry	National
Federation of Indian Petroleum Industry	National
Indian Auto LPG Coalition	National
Indian Dairy Association	National
Indian Institution of Industrial Engineering	National
Indian LP Gas Industry Association	National
Indian Society of Advertisers	National
International Advertising Association	National
National HRD Network	National
Standing Conference of Public Enterprises	National
TERI-Business Council for Sustainable Development	National
India International collaborations (U21 Global Universitas, Singapore, IFP France, etc.)	International
International Air Transport Association	International
Transparency International India	International
United Nations Global Compact	International
World LP Gas Association, Paris	International

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

IndianOil works with professional bodies, both national and international, and participates in various policy formation and other industry related issues. Being a public sector enterprise, run under the aegis of the Government of India, all the meetings of related ministries are attended to and an in-depth analysis is carried out to decide the course of action. IndianOil is also a member of different committees of the Government of India and contributes to advancement and improvement of public good by actively participating in discussions related to Energy Security, Sustainable Business Principles, and Economic Reforms etc.

Principle 8 : Businesses should support inclusive growth and equitable development

IndianOil, as a socially responsible Corporate entity, understands the importance of developing and supporting an ecosystem of a society that is growth oriented and sustainable in the long run. IndianOil believes that Corporate Social Responsibility (CSR) is the continuing commitment to conduct business ethically and contribute to economic development while improving the quality of life of the local community and the society at large. Enshrined in IndianOil's Vision is the commitment towards society "… to help enrich the quality of life of the community and preserve ecological balance and heritage through a strong environment conscience...". IndianOil's Sustainability & CSR vision is to operate its activities in providing energy solutions to its customers in a manner that is efficient, safe & ethical, which minimizes negative impact on environment and enhances quality of life of the community towards sustaining a holistic business.

IndianOil undertakes CSR projects mostly in the vicinity of its installations, taking into consideration the requirements of the immediate stakeholders. The projects are undertaken in various thrust areas as per the Sustainability & Corporate Social Responsibility policy, viz. drinking water, healthcare, sanitation, education, environment protection, empowerment of women and other marginalized groups etc., with focus on welfare of the economically and socially deprived sections of the society. The efforts are to involve all relevant stakeholders throughout the lifecycle of the project.

In conformity with the Companies Act, 2013, IndianOil has constituted the CSR & SD Committee of the Board at the apex level, under the Chairmanship of an Independent Director, to guide and monitor initiatives under S & CSR Policy of the Corporation. A well defined structure for implementing and monitoring CSR activities exists across the organization. CSR Cells and Multi-Disciplinary Committees have been constituted at unit levels to monitor the CSR initiatives in the respective geographies.

In line with National Skill Development Mission of the Government of India, IndianOil is leading the initiative and has setup the Skill Development Institute (SDI) at Bhubaneswar, with support from other PSUs under MoP&NG, for providing skill development courses aligned to the National Skills Qualification Framework (NSQF). The Institute has been operational since 2016. The Hon'ble President of India laid the foundation stone for permanent campus of the SDI at Bhubaneswar on 18.3.2018.

Focusing on integration of industry and academia, IndianOil, in association with Institute of Chemical Technology (ICT), Mumbai, took the lead and has established a satellite campus, ICT Mumbai-IndianOil Odisha Campus (ICTM-IOC) at Bhubaneswar. The Institute shall provide 5-year integrated M. Tech and 2-year Executive M. Tech programs, which is expected to commence in August 2018.

Following the clarion call given by the Hon'ble Prime Minister of India, IndianOil is continuing its effort in undertaking various Swachhta i.e. cleanliness initiatives across the country. Mass campaigns have been organised during the year to sensitize the employees and our supply chain/immediate stakeholders on Swachhta. Various sanitation-focused CSR projects have also been undertaken in the vicinity our Units/Installations/establishments.

The details of CSR initiatives taken up by IndianOil have been incorporated as a separate section forming a part of the Annual Report. Details can also be accessed at https://iocl.com/AboutUs/corporatesocialresponsibility.aspx

Principle 8 Questions

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

   Yes, the Company has specified programs in pursuit of its Sustainability & CSR Policy. The details of key CSR initiatives undertaken are provided in the CSR Report annexed to the Directors Report.

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

   The programs are taken up through in-house teams, third party vendors, Government agencies, foundations, societies, trusts, NGOs, etc.

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

   Yes. Impact Assessment is carried out for projects with investments more than Rs.50 lakh at a single location. As per the S&CSR Policy, this assessment is done after completion of at least one year from the date of commissioning of the activity or stabilization of the activity, whichever is later.

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

   The total expenditure towards CSR initiatives of the Company for the year 2017-18 was Rs.331.05 crore. The details of key CSR initiatives undertaken are provided in the CSR Report annexed to the Directors Report.

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

   Yes. For successful adoption of CSR projects by the community, the projects are designed and taken up only after consultation with the local/relevant stakeholders and on the basis of need assessment. Also, during and after implementation, consultations are held with the stakeholders for understanding their concerns. Involvement of local communities all through the project cycle ensures ownership and successful O&M of the facilities/infrastructure provided under CSR, after handing over by IndianOil.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

IndianOil has a comprehensive system to address its customers' grievances. A customer who wants to register feedback, suggestions or complaint about any product or service offered by IndianOil may register the same by following means:

- Register the complaints through complainant / suggestion book available at Indane Distributors and Retail Outlet Dealerships (Petrol Pumps)
- Contact the Field Officer / Dealer / Distributorship through the Telephone contact Numbers, Postal and email address displayed at all the Retail Outlets / Indane Distributorships
- Toll Free Number Call Centre - 1800 2333 555 which is operational from 08.00 AM to 8.00 PM on all days except national holidays
- Web based complaint through the portals www.iocl.com and www.indane.co.in

IndianOil endeavours to respond to complaints received through Toll-Free number/Web Portal within 14 days from the date of registration except in circumstances beyond control of the Corporation viz. natural calamities, strikes, system breakdowns or in cases warranting investigation etc. which may take longer to conclude.

IndianOil has launched Project ePIC, the E-Platform for IndianOil customers, which is a transformational CRM initiative. The customer-facing ePIC portal is the first step towards delivering next-generation customer experience through digital transformation and business excellence. It envisages creating a 360-degree view of IndianOil's customers, integrating and customizing marketing efforts across product lines, swifter response to Customer Service requests, including grievances and presenting a unified customer experience across various devices such as mobile phones, tablets and desktops.

IndianOil has introduced Mobile Dispenser for fuelling (HSD) of stationery equipments at approved customer premises only, thereby providing door step delivery of product to customers.

IndianOil does not indulge in restrictive trade practices. The Corporation does not sell/promote the products that could be harmful and resource consuming. IndianOil has developed a number of environment friendly, bio-degradable and energy-conserving products. IndianOil shares complete and factual information about its products by disseminating the information through product labelling, product booklets, product data sheets, material safety data sheets, etc.

IndianOil conducts Conventions, Seminars, Workshops, Clinics, Trade shows, Spot campaigns, etc. to educate its customers about its products, usages, applications and safe handling & disposal practices. All customer grievances, complaints, queries are handled as per laid down procedures and due priority is accorded to attend the same.

Principle 9 Questions

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

S.No	Business Group	No. of complaints received	No. of complaints resolved	No. of pending complaints	% pending
1	Petrochemicals	151	151	0	0.00%
2	LPG	352422	350544	1878	0.53%
3	Retail sales	16055	15894	161	1.00%
4	Institutional Business	76	76	0	0.00%
5	Lubes	18	18	0	0.00%
6	Cryogenics	53	53	0	0.00%

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

Yes. All commercial products of IndianOil follow Bureau of Indian Standards (BIS) guidelines for product information and labelling, details of which are given below:

LPG: LPG Cylinders, Pressure Regulators & Valves conform to BIS Standards, which are displayed on the equipments. The Distributors are also under instruction to sell LPG Rubber Hose and Hot Plates conforming to BIS Standards.

Bitumen: Bitumen is mostly sold in bulk and only approx 10% of product is sold in packed form in barrels. It is ensured that product specifications are made available to the consumer and highest quality control & safety procedures are followed whilst marketing these products.

Lubricants : All product labels, besides complying with Legal Metrology requirements, also display the product information for the benefit of customers regarding the technical specification and recommended use of the product being marketed.

Aviation Fuel: The product is sold in bulk and the product specification test report of all the batches is provided.

Petrochemicals: For all our petrochemical products, the Certification of Analysis depicting all quality parameters is attached with each consignment. All Polymer products of IndianOil are 100% recyclable and a "recyclable" symbol is printed on package of products as per ASTM (American Society for Testing & Material) International Resin Identifications Coding Systems.

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

Three Cases are pending before the Courts pertaining to anti-competitive behavior. Brief of the said cases is as under:

- North-East Dealers Association had filed a complaint before Competition Commission of India (CCI) alleging that the Public Sector (PSU) Oil Marketing Companies (OMCs) are using unfair terms and conditions in the Dealership Agreement and misusing their dominant position. CCI vide order dated 11.02.14 dismissed the application for want of merit and substance. Against the said order, North-East Dealers Association filed appeal before Competition Appellate Tribunal (COMPAT). The COMPAT vide order dated 26.11.15, set aside the order of CCI against which CCI has filed SLP before the Hon'ble Supreme Court. The Hon'ble Supreme Court admitted the appeal on 13/4/2016 and stayed the operation of order passed by COMPAT.
- OMCs received notices dated 22.04.2013 from Director General of CCI requesting information on various modalities of MS pricing as CCI had suo moto started investigation into the prices of MS and asked why OMCs increased and decreased prices simultaneously and by similar amounts. OMCs challenged the action of CCI submitting that Petroleum & Natural Gas Regulatory Board (PNGRB) had jurisdiction and not CCI. The CCI rejected the contention of OMCs vide order dated 23.10.2013. IndianOil has filed WP before Hon'ble High Court of Delhi against CCI's order dated 23.10.13. Hon'ble High Court of Delhi vide its order dated 22/11/2013 granted an ad interim stay till further orders.
- Reliance Industries Limited filed complaint against the three PSU OMCs and the National Aviation Company India Limited (NACIL) before the CCI wherein allegations were made about cartelization etc. of tender floated by NACIL for supply of ATF for 2010-11. OMCs had raised preliminary objection relating to the jurisdiction on CCI. By Order dated 30.09.2010. CCI held that the preliminary objection was legally not tenable and accordingly dismissed. Against this Order appeal was filed in the High Court of Delhi.

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

- Institutional Business: For Institutional Business, IndianOil has a system of Nodal Officers/CRO (Customer Relationship Officers) for resolving customer issues, through a single window option.
- Aviation Group takes customer feedback on regular basis.
- Branding: The Corporation is administering the Online Reputation Management (ORM) on the web, which tracks the customer sentiments (negative/positive/neutral) with respect to IndianOil's products and services. The ongoing periodical reporting system and the online ORM dashboard content, capture all the conversations on the web including the tweets (and excluding the Facebook accounts) on IndianOil by all its stakeholders including customers.
- IndianOil is continuously upgrading its retail outlets with respect to the visual appeal and service standards etc. IndianOil has also undertaken market research to assess customer satisfaction at 1060 retail outlets upgraded under the Retail Transformation Project.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Indian Oil Corporation Ltd. (IndianOil) believes that good Corporate Governance practices not only ensure ethical and efficient conduct of the affairs of the Company in a transparent manner but also help in maximizing value for all its stakeholders like shareholders, customers, employees, contractors, vendors and 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.

IndianOil has set high standards of ethical and responsible conduct of business to create value for all stakeholders. The cornerstone of IndianOil's Governance Philosophy is based on its core values i.e. Care, Innovation, Passion and Trust. For effective implementation of the Corporate Governance practices, IndianOil has a well-defined policy framework inter-alia consisting of the following:

- Code of Conduct for Directors and Senior Management Personnel and their obligations
- Code of Conduct for prevention of Insider Trading
- Enterprise Risk Management Policy
- Integrity Pact to enhance transparency in business
- Whistle Blower Policy
- Conduct, Discipline and Appeal Rules for employees
- Corporate Social Responsibility & Sustainable Development Policy
- Human Resources Initiatives
- Policy on 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

2. BOARD OF DIRECTORS

(a) Composition of Board of Directors

The Board of IndianOil comprises of combination of Executive (Whole-Time) and Non-Executive Directors (which include Independent Directors and Government Nominee Directors). Independent Directors are eminent persons with proven record in diverse areas like business, law, finance, economics, administration, etc.

The tenure of the Directors appointed on the Board is as under:

- Whole-time Directors are appointed for a period of 5 years or their date of superannuation, whichever is earlier;
- Independent Directors are appointed for a period of 3 years;
- Government Nominee Directors are appointed on ex-officio basis during their tenure in Ministry of Petroleum & Natural Gas (MoP&NG).

The terms and conditions of appointment of Independent Directors are hosted on the website of the Company www.iocl.com.

As on 31.03.18, the Board of IndianOil comprised of 18 Directors which included 7 Executive Directors (Whole-Time Directors including Chairman) and 11 Non-Executive Directors, out of which 9 were Independent Directors and 2 were Government Nominee Directors. The composition of the Board of Directors as on 31.03.18 is given below:

Sl. No.	Name	Category	Designation	Date of appointment	Tenure (years)
1.	Shri Sanjiv Singh	Whole-time Director	Chairman (w.e.f. 01.06.17)	01.07.14	3.75
2.	Shri Arun Kumar Sharma	Whole-time Director	Director (Finance)	27.10.14	3.43
3.	Shri Anish Aggarwal	Whole-time Director	Director (Pipelines)	01.02.15	3.16
4.	Shri G. K. Satish	Whole-time Director	Director (Planning & Business Development)	01.09.16	1.58
5.	Dr. S. S. V. Ramakumar	Whole-time Director	Director (Research & Development)	01.02.17	1.16
6.	Shri B. V. Rama Gopal	Whole-time Director	Director (Refineries)	12.02.18	0.13
7.	Shri Ranjan Kumar Mohapatra	Whole-time Director	Director (Human Resources)	19.02.18	0.11
8.	Smt. Urvashi Sadhwani	Non-Executive Director	Govt. Nominee Director	27.10.17	0.42
9.	Shri Ashutosh Jindal	Non-Executive Director	Govt. Nominee Director	12.02.16	2.13
10.	Shri Sanjay Kapoor	Non-Executive Director	Independent Director	02.12.15	2.33
11.	Shri Parindu K. Bhagat	Non-Executive Director	Independent Director	02.12.15	2.33
12.	Shri Vinoo Mathur	Non-Executive Director	Independent Director	22.09.17	0.52
13.	Shri Samirendra Chatterjee	Non-Executive Director	Independent Director	22.09.17	0.52
14.	Shri Vivek Rae	Non-Executive Director	Independent Director	22.09.17	0.52
15.	Shri C. R. Biswal	Non-Executive Director	Independent Director	22.09.17	0.52
16.	Dr. Jagdish Kishwan	Non-Executive Director	Independent Director	22.09.17	0.52
17.	Shri Sankar Chakraborti	Non-Executive Director	Independent Director	22.09.17	0.52
18.	Shri D. S. Shekhawat	Non-Executive Director	Independent Director	22.09.17	0.52

(b) Board Meetings

The Board of Directors oversees the overall functioning of the Company and has set strategic objectives in order to achieve its Vision. The Board lays down the Company's policy and oversees its implementation in attaining its objectives. The Board has constituted various committees to facilitate the smooth and efficient flow of decision making process.

During the financial year 2017-18, 13 Board Meetings were held. The dates of the Board Meetings are fixed well in advance and intimated to the Board members so as to enable the Directors to plan their schedule accordingly. The Directors are also given 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 well in advance before the meeting. However, certain exigent proposals are tabled at the Board Meeting with the approval of the Chairman and consent of 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 device in a secured manner. The agenda items are comprehensive and informative in nature to facilitate deliberations and appropriate decision at the Board Meeting.

Presentations are made to the Board on various functional and operational areas of the Company like 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 the following:

- Annual operating plans and Capital and Revenue budgets.
- Quarterly and Annual Financial results of the Company.
- Dividend declaration.
- Constitution of Board Committees with terms of reference.
- Minutes of meetings of Audit Committee and other Committees of the Board, as also resolutions passed by circulation.
- Investment in any Joint Venture / Subsidiary.

- New projects and expansion plans.
- Status of various projects.
- Risk management and minimization process.
- HR related issues.
- Safety / Security related matters
- General notices / matters of interest of Directors.
- Periodic reports to the Board on :
  - Treasury Operations
  - Capital expenditure status
  - Risk Management
  - Secretarial reports
  - Compliance of laws
  - Disciplinary cases
  - Action Taken Report (ATR) on decisions of the Board
  - Significant developments in between two Board Meetings.
  - Monthly report on share transfer
  - Quarterly Compliance Report on Corporate Governance
  - Quarterly Report on Share Capital Audit
  - Quarterly Report on status of Investor Grievance

The Board Minutes are prepared promptly after the Board Meeting and thereafter approval of the Directors and the Chairman is obtained. The approved minutes are then circulated to the concerned department / group for implementation. Action Taken Report on the decision of the Board is obtained and submitted to the Board periodically.

Details of the Board Meetings held during the year 2017-18 are as under:

Sl. No.	Date	Board Strength	No. of Directors Present
1.	25.04.17	13	13
2.	25.05.17	13	13
3.	27.06.17	11	11
4.	03.08.17	10	10
5.	28.08.17	10	10
6.	22.09.17	18	17
7.	27.10.17	19	19
8.	23.11.17	18	18
9.	02.12.17	18	17
10.	22.12.17	18	16
11.	30.01.18	18	17
12.	28.02.18	19	19
13.	28.03.18	18	18

(c) Attendance of each Director at Board Meetings held during 2017-18, last Annual General Meeting (AGM) and Number of other Directorships and Chairmanship / Membership of Committees of each Director in various companies is as under:

Sl. No	Name	No. of Board Meetings attended out of meetings held during the tenure of Director	Attendance at the AGM on 29.08.17 (Yes/No/NA)	No. of Directorship in other companies as on 31.03.18	Membership of Committees in other companies as on 31.03.18	Chairmanship of Committees in other Companies as on 31.03.18
	Whole-time Directors					
1.	Shri Sanjiv Singh (DIN - 05280701) Chairman	13 (13)	Yes	3	-	-
2.	Shri A. K. Sharma (DIN - 06665266) Director (Finance)	13 (13)	Yes	3	-	-
3.	Shri Anish Aggarwal (DIN - 06993471) Director (Pipelines)	13 (13)	Yes	1	-	-
4.	Shri G. K. Satish (DIN - 06932170) Director (Planning & Business Development)	13 (13)	Yes	4	-	-
5.	Dr. S. S. V. Ramakumar (DIN - 07626484) Director (Research & Development)	13 (13)	Yes	-	-	-
6.	Shri B. V. Rama Gopal (DIN – 07551777) Director (Refineries)	2 (2)	NA	-	-	-
7.	Shri Ranjan Kumar Mohapatra (DIN – 08006199) Director (Human Resources)	2 (2)	NA	-	-	-
8	Shri B. Ashok [1] (DIN - 06861345) Chairman	2 (2)	NA	2 (Note 3)	-	-
9.	Shri Verghese Cherian [2] (DIN - 07001243) Director (Human Resources)	7 (7)	Yes	- (Note 3)	-	-
10.	Shri B. S. Canth [3] (DIN - 07239321) Director (Marketing)	11 (11)	Yes	1 (Note 3)	-	-
	Non-Executive Directors (Govt. nominees)					
11.	Smt Urvashi Sadhwani [4] (DIN - 03487195)	7 (7)	NA	-	-	-
12.	Shri Ashutosh Jindal (DIN - 05286122)	12 (13)	No	-	-	-
13.	Shri Ajay P. Sawhney [5] (DIN - 03359323)	2 (2)	NA	2 (Note 3)		
	Non-Executive Directors (Independent Directors)					
14.	Shri Sanjay Kapoor (DIN - 07348106)	13 (13)	Yes	-	-	-
15.	Shri Parindu K. Bhagat (DIN - 01934627)	13 (13)	Yes	-	-	-
16.	Shri Vinoo Mathur [6] (DIN - 01508809)	8 (8)	NA	-	-	-
17.	Shri Samirendra Chatterjee [7] (DIN - 06567818)	7 (8)	NA	-	-	-
18.	Shri Vivek Rae [8] (DIN - 01866765)	7 (8)	NA	3	-	-
19.	Shri C. R. Biswal [9] (DIN - 02172414)	8 (8)	NA	-	-	-
20.	Dr. Jagdish Kishwan [10] (DIN - 07941042)	8 (8)	NA	-	-	-
21.	Shri Sankar Chakraborti [11] (DIN - 06905980)	8 (8)	NA	2	-	-
22.	Shri D. S. Shekhawat [12] (DIN - 07404367)	8 (8)	NA	-	-	-
23.	Shri Subroto Bagchi [13] (DIN - 00145678)	3 (3)	NA	1 (Note 3)	-	-
24.	Dr. B. Mahadevan [14] (DIN - 07936246)	5 (7)	NA	- (Note 3)	-	-

Notes

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 Audit Committee and Stakeholders' Relationship Committee.
3. The details of directorship on Board of other companies and committee position are as on the date of cessation from the Board of IndianOil.

Remarks:

1. Shri B. Ashok ceased to be Chairman w.e.f. 01.06.17
2. Shri Verghese Cherian ceased to be Director w.e.f. 01.11.17
3. Shri B. S. Canth ceased to be Director w.e.f. 01.02.18
4. Smt. Urvashi Sadhwani was inducted on the Board w.e.f. 27.10.17
5. Shri Ajay P. Sawhney ceased to be director w.e.f. 23.06.17
6. Shri Vinoo Mathur was inducted on the Board w.e.f. 22.09.17
7. Shri S. Chatterjee was inducted on the Board w.e.f. 22.09.17
8. Shri Vivek Rae was inducted on the Board w.e.f. 22.09.17
9. Shri C. R. Biswal was inducted on the Board w.e.f. 22.09.17
10. Dr. Jagdish Kishwan was inducted on the Board w.e.f. 22.09.17
11. Shri Sankar Chakraborti was inducted on the Board w.e.f. 22.09.17
12. Shri D. S. Shekhwat was inducted on the Board w.e.f. 22.09.17
13. Shri Subroto Bagchi ceased to be Director w.e.f. 30.06.17
14. Dr. B. Mahadevan was inducted on the Board w.e.f. 22.09.17 and ceased to be Director on19.03.18

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all the listed companies in which they are a Director. All the Directors have made requisite disclosures regarding Directorship / Committee position occupied by them in other companies.

A brief resume of the Directors, who are being appointed / re-appointed at the forthcoming Annual General Meeting, is given in the notice of the AGM

(d) Code of Conduct

The Code of Conduct for the Directors and Senior Management Personnel of the Company has been laid down by the Board, which has been circulated to all concerned and the same is also hosted on the website of the Company "www.iocl.com". The Directors and Senior Management Personnel of the Company have affirmed compliance with the provisions of the Code of Conduct for the financial year ended 31.03.18 and no material financial or commercial transactions which may have potential conflict with the interest of the Company were reported by them.

(e) Succession Planning

IndianOil 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) vests with the Government of India. However, the Company has put in place an orderly succession plan for grooming of Senior Management Personnel.

3. COMMITTEES OF THE BOARD

I) Audit Committee

The Audit Committee has been constituted in line with the provisions of regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI (LODR)) and also meets the requirements of the provisions of the Companies Act, 2013. The members of the Audit Committee have requisite financial and management expertise.

The Audit Committee comprised of the following members as on 31.03.18:

(1)	Shri Sanjay Kapoor, Independent Director	-	Chairman
(2)	Shri Parindu K. Bhagat, Independent Director	-	Member
(3)	Shri D. S. Shekhawat, Independent Director	-	Member

The Terms of Reference of Audit Committee covers all matters specified under the provisions of the Companies Act, 2013 as well as regulation no. 18 (3) read with Part C of Schedule II of the SEBI (LODR), which inter-alia includes the following:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing with management the quarterly and annual financial statements alongwith related party transactions, if any, before submission to the Board.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Reviewing with the management and statutory and internal auditors, the adequacy of internal control systems.

- Discussion with internal auditors on Annual Internal Audit Program, Significant Audit Findings and follow up on such issues.
- Discussion with statutory auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern.
- Reviewing the Company's financial and risk management policies.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management, the observations / comments / assurances of the Comptroller & Auditor General of India (CAG).
- Review with the management, the follow-up action taken on the recommendations of the Parliamentary Committee on Public Undertaking (CoPU), if any.
- Review of Cost Audit Report.
- To examine, decide and deal with all issues relating to Ethics in the Company.
- Review of functioning of Whistle Blower Policy.

The attendance at the 8 meetings of the Audit Committee held during the year 2017-18 is given below:

Sl. No	Name	Meeting held on							
		24.05.17	27.06.17	02.08.17	28.08.17	26.10.17	02.12.17	29.01.18	27.03.18
1.	Shri Sanjay Kapoor	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Shri Subroto Bagchi (upto 29.06.17)	Yes	Yes	NA	NA	NA	NA	NA	NA
3.	Shri Parindu K. Bhagat	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Shri Ashutosh Jindal (upto 22.11.17)	NA	NA	No	Yes	Yes	NA	NA	NA
5.	Shri D. S. Shekhawat (w.e.f. 23.11.17)	NA	NA	NA	NA	NA	Yes	Yes	Yes

The Audit Committee meetings are attended by the Director (Finance) and the Head of Internal Audit as invitees. The representatives of the Statutory Auditors are also invited and attend the Audit Committee meetings while considering the quarterly / annual financial statements and discussion on nature and scope of Annual Audit. The Cost Auditors are also invited when the Cost Audit Reports are considered by the Audit Committee. The Minutes of the meetings of the Audit Committee are circulated to the members of the Audit Committee. 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.

II) Nomination and Remuneration Committee

IndianOil 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 of the following members as on 31.03.18:

1. Shri Vivek Rae, Independent Director - Chairman
2. Shri Chitta Ranjan Biswal, Independent Director - Member
3. Shri Ashutosh Jindal, Govt. Nominee Director - Member
4. Shri Sanjiv Singh, Chairman, IndianOil - Member

The attendance at the meeting of Nomination & Remuneration Committee held during 2017-18 is given below:

Sl. No.	Name	Meeting held on 29.01.18
1.	Shri Vivek Rae (w.e.f. 23.11.17)	Yes
2.	Shri C. R. Biswal (w.e.f. 23.11.17)	Yes
3.	Shri Ashutosh Jindal	Yes
4.	Shri Sanjiv Singh	Yes

The performance evaluation of the Directors (including Independent Directors) has not been done by the Nomination & Remuneration Committee, as IndianOil being a Government Company, the powers relating to appointment, evaluation and the terms of Independent Directors vests with the Govt. of India. The same is also exempted to Govt. 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 the financial year 2017-18 is as under: (₹)

Sl. No.	Name	Designation	Salaries & Allowances	Performance Linked Incentive	Other Benefits & Perquisites	Total Remuneration
1.	Shri Sanjiv Singh	Chairman	66,18,951	13,00,261	11,94,499	91,13,711
2.	Shri A. K. Sharma	Director (Finance)	63,65,691	12,91,417	10,12,990	86,70,098
3.	Shri Anish Aggarwal	Director (Pipelines)	1,18,72,894	13,62,774	15,78,520	1,48,14,188
4.	Shri G. K. Satish	Director (P&BD)	50,94,947	11,09,913	10,27,747	72,32,607
5.	Dr. S. S. V. Ramakumar	Director (R&D)	50,04,830	6,93,656	7,54,077	64,52,563
6.	Shri B. V. Rama Gopal	Director (Refineries) (w.e.f. 12.02.18)	7,38,913	1,83,860	92,525	10,15,298
7.	Shri Ranjan Kumar Mohapatra	Director (HR) (w.e.f. 19.02.18)	7,12,090	1,80,070	51,953	9,44,113
8.	Shri B. Ashok	Chairman (upto 31.05.17)	49,53,451	-	21,38,288	70,91,739
9.	Shri Verghese Cherian	Director (HR) (upto 31.10.17)	86,43,575	-	14,92,873	1,01,36,448
10.	Shri B. S. Canth	Director (Marketing) (upto 31.01.18)	9011404	9,32,139	17,16,894	1,16,60,437
		TOTAL	**5,90,16,745**	**70,54,090**	**1,10,60,366**	**7,71,31,201**

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 3 months notice period or salary in lieu thereof for severance of service.
4. The remuneration does not include the provision made for retirement benefit / leave encashment / long Service awards / Post Retirement Benefits based on actuarial valuation as the same are not separately ascertainable for individual directors

   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 the financial year 2017-18 is as under:

Sl. No.	Name	Sitting Fees (₹)
1.	Shri Sanjay Kapoor	16,42,200
2.	Shri Parindu K. Bhagat	15,22,200
3.	Shri Vinoo Mathur	4,80,000
4.	Shri Samirendra Chatterjee	3,60,000
5.	Shri Vivek Rae	4,00,000
6.	Shri C. R. Biswal	4,00,000
7.	Dr. Jagdish Kishwan	4,80,000
8.	Shri Sankar Chakraborti	4,80,000
9.	Shri D. S. Shekhawat	4,80,000
10.	Shri Subroto Bagchi	4,82,400
11.	Dr. B. Mahadevan	2,00,000
	TOTAL	**69,26,800**

Note:

(1) There were no other materially significant pecuniary relationships or transactions of the Independent Directors vis-à-vis the Company.

The Government Nominee Directors are not paid any remuneration, sitting fees, etc.

Shareholding of Directors

The details of shares of IndianOil held by the Directors as on 31.03.18 are given below:

Sl. No.	Name	Designation	No. of shares
1.	Shri Sanjiv Singh	Chairman	18972
2.	Shri A. K. Sharma	Director (Finance)	7572
3.	Shri Anish Aggarwal	Director (Pipelines)	12172
4.	Shri G. K. Satish	Director (P&BD)	2172
5.	Dr. S. S. V. Ramakumar	Director (R&D)	8800
6.	Shri B. V. Rama Gopal	Director (Refineries)	17380
7.	Shri Ranjan Kumar Mohapatra	Director (Human Resources)	9600
8.	Shri Ashutosh Jindal	Government Nominee Director	-
9.	Smt. Urvashi Sadhwani	Government Nominee Director	-
10.	Shri Sanjay Kapoor	Independent Director	-
11.	Shri Parindu K. Bhagat	Independent Director	-
12.	Shri Vinoo Mathur	Independent Director	-
13.	Shri Samirendra Chatterjee	Independent Director	-
14.	Shri Vivek Rae	Independent Director	-
15.	Shri C. R. Biswal	Independent Director	-
16.	Dr.Jagdish Kishwan	Independent Director	-
17.	Shri Sankar Chakraborti	Independent Director	-
18.	Shri D. S. Shekhawat	Independent Director	-

III) Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee (SRC) 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 of the following members as on 31.03.18:

1. Shri Sanjay Kapoor, Independent Director - Chairman
2. Shri A. K. Sharma, Director (Finance) - Member
3. Shri -Ranjan Kumar Mohapatra, Director (HR) - Member

The attendance at the meeting of the Stakeholders' Relationship Committee held during 2017-18 is given below:

Sl. No.	Name	Meeting held on 23.11.17
1.	Shri Sanjay Kapoor	Yes
2.	Shri A. K. Sharma	Yes
3.	Shri Ranjan Kumar Mohapatra (w.e.f. 19.02.18)	NA

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 the financial year 2017-18:

During the year, 3474 complaints were received and all have been resolved. As on 31.03.18, no complaints were pending. Further, during the year, 1706 requests for change of address, recording of nomination, issue of duplicate share certificates/ dividend warrants, etc. were received, out of which 33 requests were pending as on 31.03.18, which were subsequently addressed.

The Company has created a designated email-id investors@indianoil.in exclusively for investors and responding to their queries.

IV) Corporate Social Responsibility & Sustainable Development Committee

IndianOil's Corporate Social Responsibility (CSR) is guided by its corporate vision of caring for environment and community. IndianOil believes that CSR is its continuing commitment to conduct business in an ethical and sustainable manner and 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 society at large.

In line with the above vision, the Board has constituted the Corporate Social Responsibility & Sustainable Development (CSR & SD) Committee to recommend, monitor and administer activities under the Sustainability and CSR Policy and also oversee its performance / implementation.

The Committee comprised of the following members as on 31.03.18:

1. Shri Parindu Bhagat, Independent Director - Chairman
2. Shri Sankar Chakraborti, Independent Director - Member
3. Shri A. K. Sharma, Director (Finance) - Member
4. Shri G. K. Satish, Director (P&BD) - Member
5. Shri Ranjan Kumar Mohapatra, Director (HR) - Member

The attendance at the 6 meetings of the CSR & SD Committee held during the year 2017-18 is given below:

Sl. No.	Name	Meeting held					
		27.06.17	02.08.17	23.11.17	29.01.18	27.02.18	27.03.18
1.	Shri Parindu Bhagat	Yes	Yes	Yes	Yes	Yes	Yes
2.	Shri Subroto Bagchi (upto 29.06.17)	Yes	NA	NA	NA	NA	NA
3.	Shri Verghese Cherian (upto 31.10.17)	No	Yes	NA	NA	NA	NA
4.	Shri A. K. Sharma	Yes	Yes	Yes	Yes	Yes	Yes

Sl. No.	Name	Meeting held					
		27.06.17	02.08.17	23.11.17	29.01.18	27.02.18	27.03.18
5.	Shri B. S. Canth (upto 31.01.18)	Yes	Yes	No	No	NA	NA
6.	Shri G. K. Satish	Yes	Yes	No	No	No	No
7.	Shri Sanjay Kapoor	NA	Yes	Yes	NA	NA	NA
8.	Shri Anish Aggarwal	NA	NA	Yes	Yes	NA	NA
9.	Shri Sankar Chakraborti (w.e.f. 23.11.17)	NA	NA	NA	Yes	Yes	Yes
10.	Shri Ranjan Kumar Mohapatra (w.e.f. 19.02.18)	NA	NA	NA	NA	Yes	Yes

The Company Secretary acts as the Secretary of the CSR & SD Committee.

V) Risk Management Committee

The Company has formed a Risk Management Committee to review risk management process involving risk assessment and minimisation procedure as well as to approve the derivative transactions above USD 50 million on 'mark to market' basis.

The Committee comprised of the following members as on 31.03.18:

1. Shri Sanjiv Singh, Chairman
2. Shri A. K. Sharma, Director (Finance)
3. Shri G. K. Satish, Director (P&BD)
4. Shri B. V. Rama Gopal, Director (Refineries)

The attendance at the meeting of the Risk Management Committee held during 2017-18 is given below:

Sl. No.	Name	Meeting held on 23.10.17
1.	Shri Sanjiv Singh	Yes
2.	Shri A. K. Sharma	Yes
3.	Shri B. S. Canth (upto 31.01.18)	No
4.	Shri G. K. Satish	No
5.	Shri B. V. Rama Gopal (w.e.f. 12.02.18)	NA

VI) 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 31.03.18 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.	- 2 Independent Directors - 1 Government Nominee Director - Director (Finance) The committee is headed by an Independent 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.	- 2 Independent Directors - 1 Government Nominee Director - Director (Refineries) - Director (P&BD) - Director (Finance) - Director (Marketing) The committee is headed by an Independent Director.

Sl. No.	Name of Committee	Role and Responsibilities	Members
3.	Deleasing of Immoveable Properties Committee	To consider Deleasing of Company leased flats/ accommodation / immoveable properties.	- Chairman - Director (Finance) - Director (HR) - Director (Marketing) - 1 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 DoA 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 upto ₹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 conditions of LNG sales and Purchase Agreement and recommend the same to Board for approval for purchase of LNG on long term basis.	- Chairman - 1 Government Nominee Director - Director (Finance) - Director (P&BD) - 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 IndianOil.	- 2 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 Board of Directors is also hosted on the website of the Company www.iocl.com.

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:

	2014-15	2015-16	2016-17
Date and Time	15.09.15 10:30 AM	14.09.16 10:30 AM	29.08.17 10:30 AM
Venue	Nehru Centre Auditorium, Discovery of India Building, Worli, Mumbai – 400 018.	Nehru Centre Auditorium, Discovery of India Building, Worli, Mumbai - 400 018.	Hotel Rang Sharda, KC Marg, Bandra Reclamation, Bandra West, Mumbai -4 00050
No. of Special Resolutions Passed	1	1	1

No Extraordinary General Meeting of the Members was held during the year 2017-18.

5. Postal Ballot

Approval of the shareholders was sought through Postal Ballot for increase in Authorised Share Capital (Special Resolution) and for issuance of Bonus Shares in the ratio of 1:1, i.e. one new bonus Equity Share of ₹10/- each for every one existing equity share of ₹ 10/- each held (Ordinary Resolution). The postal ballot was circulated to all the members on 05.02.18 and the last date of receipt of the duly signed postal ballot form was 07.03.18. The shareholders were also provided the facility to vote through electronic means. The resolutions were approved by the shareholders with requisite majority and the result was announced on 09.03.18. The postal ballot exercise was conducted by Shri Nrupang Dholakia of Dholakia & Associates LLP, a practicing Company Secretary.

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting requires passing the resolution through Postal Ballot.

6. Disclosures

a. Separate meeting of Independent Directors

A separate meeting of Independent Directors was held on 27.03.18 as per provisions of the Companies Act, 2013 and SEBI (LODR).

b. Materially significant related party transactions

The Company has a policy on "Materiality of Related Party Transactions and dealing with Related Party Transactions" (policy on RPT). The same has been hosted on the website of the Company and can be accessed at the following link:

https://iocl.com/InvestorCenter/Policy_on_Related_Party_Transactions.pdf

As per the policy on RPT, all related party transactions are approved by the Audit Committee. The Audit Committee had granted omnibus approval for RPT's during 2017-18 in line with the provisions of the Companies Act, 2013, SEBI (LODR) and the policy on RPT. A report on such transactions was submitted to the Committee on quarterly basis.

The Company has not entered into any materially significant related party transactions during the year.

c. Material Subsidiaries

The Company has a "Policy for Determining Material Subsidiaries". The same has been hosted on the website of the Company and can be accessed at the following link: https://iocl.com/InvestorCenter/Policy_on_Material_Subsidiary.pdf

There were no material unlisted subsidiaries during the year 2017-18. The minutes of the Board Meetings of unlisted subsidiaries are submitted to the Board of the Company on periodic basis.

d. Details of non-compliance during the last three years

There were no cases of non-compliance by the Company on any matter related to capital markets during the last three years and no penalties / strictures were enforced on the Company by Stock Exchanges / SEBI or any other statutory authority.

e. 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 that reviews the activities of the Company and reports its 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, 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 www.iocl.com.

f. Compliance with mandatory requirement of SEBI (LODR)

The Company has complied with all the mandatory requirements of SEBI (LODR) except in respect of composition of the Board of Directors with regard to at least 50% Independent Directors during the period 01.04.17 to 21.09.17 and atleast one woman director for the period 01.04.17 to 26.10.17. IndianOil, 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) vests with the Government of India.

g. Adoption of the non-mandatory requirements of SEBI (LODR)

The Company has not adopted any discretionary requirements provided under Schedule II Part E of SEBI (LODR). However, the Statutory Auditors have expressed un-modified opinion on Financial Statements for the year 2017-18.

h. CEO / CFO Certification

The Chairman and Director (Finance) of the Company have given the "CEO / CFO Certification" to the Board.

i. Integrity Pact

IndianOil has signed a Memorandum of Understanding (MoU) with Transparency International India (TII) in 2008 for implementing 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 11 meetings of IEMs have taken place. Based on the above threshold value, 480 tenders came under the purview of IP during the year 2017-18 against which 13 complaints were received which were referred to the IEMs and deliberated.

j. Relationship between Directors

None of the Directors are inter-se related to other Directors of the Company.

k. Details of familiarisation programmes imparted to Independent Directors

The details of familiarisation programmes imparted to independent directors are hosted on the website of the Company and can be accessed from the following link: https://iocl.com/download/IDFP.pdf

l. Guidelines on Corporate Governance by DPE

IndianOil 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 (f) above.

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

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

The regular administrative and office expense were 1.26% of total expense during 2017-18 as against 1.13% 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, Indian Express, Economic Times, Business Standard, The Hindu Business Line and Maharashtra Times (Marathi Newspaper). The financial results are also hosted on Company's website www.iocl.com. The Company issues news releases on significant corporate decisions / activities and posts them on its website as well as notifies stock exchanges as and when deemed necessary.

b. News Releases

Official press releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website www.iocl.com.

c. Website

The Company's website www.iocl.com provides a separate section for investors where relevant shareholders, information is available. The Annual Report of the Company is also hosted on the website of the Company.

d. Annual Report

Annual Report is circulated to members and others entitled thereto. The Management Discussion and Analysis (MDA) Report and Corporate Governance Report form part of the Annual Report.

e. Chairman's Speech at AGM

The Chairman's speech is distributed to the shareholders at the Annual General Meeting. The same is also placed on the website of the Company for information of the shareholders residing in various parts of the country.

f. Investors Service Cell

Investors Service Cell exists at the Registered Office at Mumbai and the Corporate Office at New Delhi to address the grievances / queries of shareholders / debenture holders. To facilitate the investors to raise queries / grievances through electronic mode, IndianOil has created a separate e-mail ID "investors@indianoil.in". Karvy Computershare Pvt. Ltd., Registrar & Transfer Agent (RTA), have offices across the country, wherefrom the queries / grievances of the investors are also addressed.

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

The provisions of the Companies Act, 2013 and rules made thereunder permit paperless communication by allowing service of all documents in electronic mode. Accordingly, IndianOil would send the copy of the Annual Report for the year 2017-18 along with the notice convening the Annual General Meeting through email to those shareholders who have registered their email id with the DP / RTA and have not opted for physical copy of the Annual Report.

8. GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting:

Date, Time and Venue of the Annual General Meeting	Wednesday, 29.08.18 at 10:30 AM at Nehru Centre Auditorium, Discovery of India Building, Worli, Mumbai – 400 018

(b) Financial Year:

The Financial year of the Company was from 01.04.17 to 31.03.18. The financial calendar to approve quarterly / annual financial result for the year 2018-19 is given below:

Quarter ending 30th June 2018	On or before 14.08.18
Quarter ending 30th September 2018	On or before 14.11.18
Quarter ending 31st December 2018	On or before 14.02.19
Quarter and year ending 31st March 2019	On or before 30.05.19

(c) Book Closure Dates for Final Dividend:

Book Closure for Final Dividend	23.08.18 to 29.08.18 (both days inclusive)

(d) Dividend Payment Dates:

Interim dividend of ₹19 per share (190%) for the year 2017-18 was paid on 14.02.18.

In addition, a final dividend of ₹2/- per share (20%), as recommended by the Board of Directors, if approved at the AGM, shall be paid to the eligible shareholders within the stipulated 30 days period after the AGM as provided under the Companies Act, 2013.

(e) Listing of securities on Stock Exchanges:

- The equity shares issued by the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The address of the BSE & NSE is provided in the Annual Report.
- The debt security issued by the Company is listed on the Wholesale Debt Market Segment of NSE. The Company has appointed SBICAP Trustee Company Limited as Debenture Trustee for the debt security.
- The Company has paid listing fees in respect of its listed securities to both the Stock Exchanges for the financial year 2017-18.

(f) Corporate Identity Number (CIN):

The Company is registered with the Registrar of Companies (RoC) in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L23201MH1959GOI011388.

(g) Stock Code at BSE : 530965

(h) Stock Code at NSE : IOC

(i) Demat ISIN Number of Equity Shares at NSDL / CDSL : INE 242A01010

(j) Stock Market Data:

The market price and volume of the Company's Equity Shares (face value ₹10 each) traded on the BSE & NSE during the financial year 2017-18 are given below:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
PRE - BONUS						
April 2017	448.00	379.00	87,91,255	447.40	378.75	8,58,26,512
May 2017	450.65	415.65	91,83,373	450.90	416.00	15,38,89,440
June 2017	430.40	376.50	62,99,857	430.65	376.20	8,62,02,596
July 2017	398.30	364.50	76,30,299	398.60	364.10	7,86,30,376
August 2017	462.60	366.25	1,32,31,924	462.95	366.10	13,48,10,594

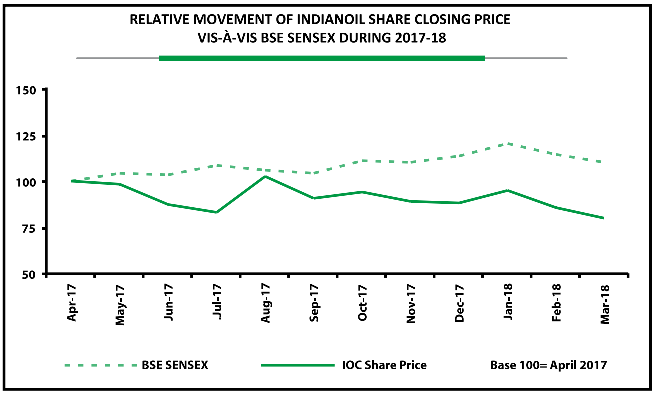
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
September 2017	460.00	374.80	92,04,667	458.50	374.50	10,12,72,776
October 2017	442.00	398.75	1,12,92,206	442.00	398.10	9,20,58,237
November 2017	424.00	385.35	68,50,107	421.00	385.20	8,56,03,621
December 2017	417.00	382.20	27,37,011	417.00	382.00	6,57,46,656
January 2018	427.60	374.90	1,12,37,906	427.40	374.25	11,17,60,926
February 2018	422.40	361.85	78,02,772	422.20	360.65	8,92,55,590
March 2018 (upto 14.03.18)	412.50	377.40	83,90,794	412.90	377.10	8,30,17,019
POST – BONUS						
March 2018 (from 15.03.18)	193.30	164.60	1,58,96,079	193.25	164.35	15,06,30,528

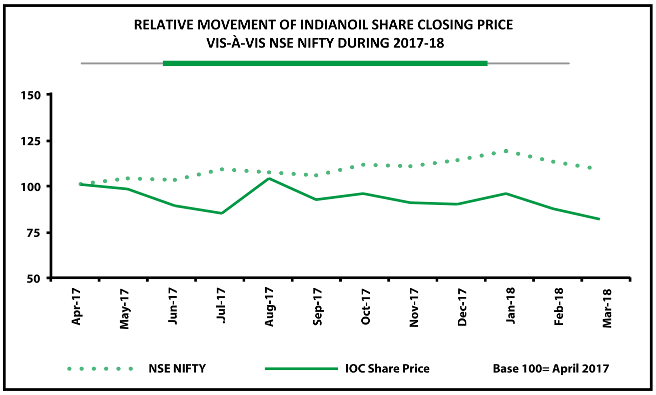
Note: The Company issued bonus shares in the ratio of 1:1 in March 2018.

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

The share price of the Company opened at ₹193.60 (bonus adjusted) on 01.04.17 and closed at ₹176.30 on 31.03.18 thereby reducing by 8.94%. During the same period, the BSE SENSEX opened at 29738 and closed at 32969 thereby increasing by 10.86%. The NSE NIFTY opened at 9221 and closed at 10114 thereby increasing by 9.68%.

The relative comparison (on base of 100) of the monthly closing price of the Company's share vis-a-vis BSE SENSEX and NSE NIFTY during 2017-18 is given below:





Note: Share price has been adjusted reckoning issue of Bonus Shares (1:1) in March 2018

(l) Registrar & Transfer Agents (R&T) :

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032

Tel. No.	: (040) 67162222
Toll Free No.	: 1800 3454 001
Fax No.	: (040) 23001153
E-mail Address	: einward.ris@karvy.com
Website	: www.karvycomputershare.com

(m) Share Transfer System:

The shares of the Company are traded in dematerialised form. Shares received in physical form are transferred within the stipulated period from the date of lodgement subject to documents being valid and complete in all respects. There were no overdue share transfers pending as on 31.03.18. In order to expedite the process of share transfer and in line with regulation 40 (2) of the SEBI (LODR), the Company has delegated the power of share transfer to its R&T Agent - Karvy Computershare Pvt. Ltd.

(n) Distribution of shareholding as on 31.03.18:

Sl. No.	Nominal Value of Equity Shares (₹)	No. of Shareholders (Folios)	% of Shareholders	Amount (₹)	% of Amount
1.	1- 5000	2,80,353	78.90	37,73,13,670	0.39
2.	5001-10000	27,731	7.80	21,04,48,420	0.22
3.	10001-20000	16,040	4.51	24,46,50,690	0.25
4.	20001-30000	9,046	2.55	21,73,16,670	0.22
5.	30001-40000	3,778	1.06	13,70,89,040	0.14
6.	40001-50000	2,425	0.68	11,19,60,150	0.12
7.	50001-100000	6,408	1.80	47,65,71,690	0.49
8.	100001 & Above	9,534	2.68	9534,27,48,950	98.17
	Total	**3,55,315**	**100.00**	**9711,80,99,280**	**100.00**

(o) Categories of Shareholders as on 31.03.18:

Sl. No.	Category	Shareholders (Folios)		Shares	
		No.	%	No.	%
1.	President of India	1	0.00	553,34,36,444	56.98
2.	Governor of Gujarat	1	0.00	1,08,00,000	0.11
3.	Government Company (ONGC)	1	0.00	133,72,15,256	13.77
4.	Government Company (Oil India)	1	0.00	48,55,90,496	5.00
5.	Corporate Bodies	2,486	0.70	14,20,55,380	1.46
6.	FIIs/NRIs	5,228	1.47	60,35,24,716	6.21
7.	Banks / Indian Financial Institutions	51	0.01	85,05,016	0.09
8.	Mutual Funds	245	0.07	40,12,24,472	4.13
9.	Insurance Companies	8	0.00	59,31,67,402	6.11
10.	Public	3,46,707	97.58	33,12,65,939	3.41
11.	Trusts	86	0.02	25,25,85,048	2.60
12.	Investor Education & Protection Fund	1	0.00	9,38,588	0.01
13.	Others	499	0.14	1,15,01,171	0.12
	Total	**3,55,315**	**100.00**	**971,18,09,928**	**100.00**

Note:

1) Till 22.11.17 President of India (PoI) was holding 278,42,80,657 Equity Shares of IndianOil constituting 57.34% of the total Equity Share Capital. On 23.11.2017, the PoI disinvested 1,75,62,435 equity shares in favour of BHARAT 22 ETF (an exchange traded fund comprising of 22 stocks managed by ICICI Prudential Mutual Fund) whereby the PoI holding reduced to 276,67,18,222 equity shares constituting 56.98% of the paid up equity share capital of IndianOil.

2) The Board of Directors of IndianOil at its meeting held on 30.01.18 had recommended for the approval of shareholders, the issue of Bonus Shares in the ratio of 1:1 i.e. one new bonus equity share of ₹ 10/- each for every one equity share of ₹ 10/- each held. Upon approval by the shareholders, 485,59,04,964 equity shares of ₹10/- each as bonus shares were allotted on 19.03.18 to the eligible shareholders. Consequently, the paid-up share capital of the Company increased from ₹ 4855.90 crores to ₹ 9711.81 crore.

(p) Top 10 shareholders as on 31.03.18:

Sl. No.	Name	No. of Shares	% to Equity
1.	President of India	553,34,36,444	56.98
2.	Oil & Natural Gas Corporation Limited	133,72,15,256	13.77
3.	Life Insurance Corporation of India	53,00,17,920	5.46
4.	Oil India Limited	48,55,90,496	5.00
5.	IOC Shares Trust	23,31,18,456	2.40
6.	CPSE ETF	4,61,92,488	0.48
7.	Vanguard Emerging Markets Stock Index Fund	3,65,99,485	0.38
8.	ICICI Prudential Life Insurance Company Limited	3,40,04,979	0.35
9.	ICICI Prudential Value Discovery Fund	3,04,91,142	0.31
10.	Nomura India Investment Fund Mother Fund	3,04,46,206	0.31

(q) Dematerialisation of Shares and Liquidity:

The shares of the Company are traded in dematerialised form. In order to facilitate the shareholders to dematerialise the shares, the Company has entered into an agreement with NSDL and CDSL. The summarised position of shareholders in Physical and Demat segment as on 31.03.18 is as under:

Type of Shareholding	Shareholders (Folios)		Shareholding	
	No.	%	No.	%
Physical	5,787	1.63	3,65,02,143	0.38
Demat	3,49,528	98.37	967,530,7,785	99.62
TOTAL	**3,55,315**	**100.00**	**971,18,09,928**	**100.00**

(r) Corporate Action:

(i) Dividend:

The Company has been consistently declaring dividends. The dividend paid during the last 10 financial years is given below:

Financial Year	Rate (%)	Remarks
2007-08	55 %	-
2008-09	75 %	-
2009-10	130 %	-
2010-11	95 %	-
2011-12	50 %	-
2012-13	62 %	-
2013-14	87 %	-
2014-15	66 %	-
2015-16	140 %	Includes Interim Dividend of 55%
2016-17	190 %	Includes 1st Interim Dividend of 135% & 2nd Interim Dividend of 45%

(ii) **Bonus issue since listing of the shares:**

Financial Year	Ratio
1999-00	1:1
2003-04	1:2
2009-10	1:1
2016-17	1:1
2017-18	1:1

(s) Unclaimed Dividend and shares transferred to 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 unpaid dividend account shall be transferred to the Investor Education and Protection Fund (IEPF) established by Central Government.

The Company annually sends reminder letter to respective shareholders, 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 ₹ 1,34,10,566/- for the FY 2009-10 was transferred to the IEPF authority on 17.11.17.

The details of dividend which remains unpaid / unclaimed as on 31.03.18 are given below:

Financial Year	Amount (₹)
2010-11 (Final)	1,47,14,984
2011-12 (Final)	82,11,965
2012-13 (Final)	1,06,06,886
2013-14 (Final)	1,56,93,286
2014-15 (Final)	1,50,71,443
2015-16 (Interim)	1,48,25,668
2015-16 (Final)	2,37,39,455
2016-17 (1st Interim)	2,49,90,390
2016-17 (2nd Interim)	2,56,37,153
2016-17 (Final)	65,86,385
2017-18 (Interim)	3,16,53,221
Total	**19,17,30,836**

The IEPF rules notified by the Ministry of Corporate Affairs further provides that details of all unclaimed / unpaid dividend as on the AGM date shall be filed with the MCA and also hosted on the website of the Company within 90 days from the date of the AGM. Accordingly, the Company has filed the information as on the last AGM date i.e. 29.08.17 in the prescribed form with the IEPF and also hosted it on Company's website www.iocl.com.

Section 124(6) of the Companies Act, 2013 read with rules made thereunder provide 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 Investor Education and Protection Fund. Section 125 further provides that a shareholder whose dividend amount / shares have been transferred to the IEPF shall be entitled to claim refund therefrom.

In line with the IEPF Rules, the Company sends reminder letter to all such shareholders, whose dividend has remained unpaid / unclaimed for a consecutive period of 7 years with a request to claim the dividends, failing which the shares would be transferred to the IEPF Authority on the due date.

Accordingly, all such shares in respect of which dividend had remained unclaimed for the FY 2009-10 to 2016-17 were transferred to the demat account of the IEPF authority on 30.11.17. The details of such shares are hosted on the website of the company www.iocl.com. The summary of shares lying in the demat account of IEPF authority is given below:

Particulars	No. of Shares
Shares in the demat account of IEPF Authority as on 01.04.17	-
Add: Shares transferred to demat account of IEPF authority on 30.11.17	4,69,294
Add: Bonus shares credited on 23.03.18	4,69,294
Less: Shares claimed by investors from IEPF authority	-
Shares in the demat account of IEPF Authority as on 31.03.18	9,38,588

The procedure for claiming the unpaid dividend amount and shares transferred to the IEPF Authority is provided on the following link: http://www.iepf.gov.in/IEPFA/refund.html

(t) Outstanding GDRs / ADRs / Warrants or any Convertible instruments:

The Company has not issued any GDRs / ADRs / Warrants or any Convertible instruments.

(u) Commodity price risk or foreign exchange risk and hedging activities:

IndianOil's crude oil procurement cost and petroleum product selling prices are based on international oil price. This exposes the Company's earning to the risk of volatility of oil prices. In order to mitigate this risk, IndianOil has policy in place to undertake risk management activities through refining margin hedging, inventory hedging and crude oil price hedging depending upon the market conditions. The market is closely monitored on a regular basis and mitigation strategies are adopted in line with the risk management policy.

The Company manages its foreign currency risk through combination of natural hedge, mandatory hedge, mandatory hedging and hedging undertaken on occurrence of pre-determined triggers. The hedging is mostly done through forward contracts.

(v) Plant locations:

The addresses of the plant locations are given 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
Fax : (022) 26447961

E-mail ID : investors@indianoil.in

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Indian Oil Corporation Limited

We have examined the compliance of conditions of Corporate Governance by Indian Oil Corporation Limited ("the Company") for the year ended on March 31, 2018, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the guidelines on Corporate Governance for Central Public Sector Enterprises, as enunciated by the Department of Public Enterprises (DPE).

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination, as carried out in accordance with the Guidance Note on Corporate Governance issued by the Institute of Chartered Accountants of India, was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as the DPE Guidelines except for the following:

a. The Company has not complied with the conditions with regard to minimum number of Independent Directors in the composition of Board of Directors for the period 01.04.2017 to 21.09.2017;

b. The Company has not complied with the conditions with regard to appointment of woman director for the period 01.04.2017 to 26.10.2017;

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For S. K. MEHTA & CO.	**For V SANKAR AIYAR & CO.**	**For CK PRUSTY & ASSOCIATES**	**For V. SINGHI & ASSOCIATES**
Chartered Accountants	**Chartered Accountants**	**Chartered Accountants**	**Chartered Accountants**
(Firm Regn. No. 000478N)	**(Firm Regn. No. 109208W)**	**(Firm Regn. No. 323220E)**	**(Firm Regn. No. 311017E)**
Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(CA. Rohit Mehta)	**(CA. G Sankar)**	**(CA. Chandrakanta Prusty)**	**(CA. Aniruddha Sengupta)**
Partner	**Partner**	**Partner**	**Partner**
M. No. 091382	**M. No. 046050**	**M. No. 057318**	**M. No. 051371**

Place : New Delhi
Date : 22nd May, 2018

STANDALONE
FINANCIAL STATEMENTS
2017-18

इंडियनऑयल
IndianOil

INDEPENDENT AUDITORS' REPORT

To

The Members of Indian Oil Corporation Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Indian Oil Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information in which are incorporated the returns for the year ended on that date audited by the branch auditor of the Company's one branch, namely R&D division situated at Faridabad, Haryana, India.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in the equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made there under.

We conducted our audit of standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its profit (financial performance including other comprehensive income) and its cash flows and the changes in equity for the year ended on that date.

Other Matters

a) We did not audit the financial statements/information of one branch included in the standalone Ind AS financial statements of the

Company whose financial statements / financial information reflect total assets of ₹ 895.90 crores as at 31st March, 2018 and total revenues of ₹ 19.08 crores for the year ended on that date, as considered in the standalone Ind AS financial statements. The financial statements/information 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.

b) The standalone Ind AS financial statements include the Company's proportionate share (relating to Jointly controlled operations) in assets ₹ 447.04 crores, liabilities ₹ 115.50 crores, income of ₹ 18.92 crores and expenditure ₹ 41.01 crores and elements making of the cash flow statement and related disclosures contained in the enclosed standalone Ind AS financial statements and our observations thereon are based on unaudited statements from the operators to the extent available with the Company in respect of 14 blocks in India and overseas and have been certified by the management.

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, 2016 ("the Order") issued by the Government of India in terms of sub- section (11) of Section 143 of the Act, and 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, we give in the "Annexure 1" a statement on the matters specified in the paragraphs 3 and 4 of the said Order.

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 2" 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 have been sent to us and have been properly dealt with by us in preparing this report;

   (d) the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity 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 Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 3";

   (h) with respect to the other matters to be included in the Auditor's 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 Ind AS financial statements - Refer Note 36 B.1 to the standalone Ind AS 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;

iii. There has been no delay in transferring the amounts required to be transferred to Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Act and the Rules made there under.

For S. K. MEHTA & CO. **Chartered Accountants** **Firm Regn. No. 000478N**	**For V SANKAR AIYAR & CO.** **Chartered Accountants** **Firm Regn. No. 109208W**	**For CK PRUSTY & ASSOCIATES** **Chartered Accountants** **Firm Regn. No. 323220E**	**For V. SINGHI & ASSOCIATES** **Chartered Accountants** **Firm Regn. No. 311017E**
Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(CA. ROHIT MEHTA) **Partner** **M. No. 091382**	**(CA. G SANKAR)** **Partner** **M. No. 046050**	**(CA. CHANDRAKANTA PRUSTY)** **Partner** **M. No. 057318**	**(CA. ANIRUDDHA SENGUPTA)** **Partner** **M. No. 051371**

Place of Signature: New Delhi

Date: 22nd May 2018

ANNEXURE 1 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 Ind AS financial statements for the year ended 31st March 2018

(i) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) There is a regular programme of physical verification of all fixed assets, 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 fixed assets. 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 the immovable properties are held in the name of the Company except in cases given below:

Particulars	Number of cases	Gross Block/ Value (₹ in Crore)	Net Block/ Value (₹ in Crore)
Leasehold Land- Operating leases	16	36.53	32.67
Leasehold Land- Finance leases	9	35.59	31.51
Leasehold Land- Total	**25**	**72.12**	**64.18**
Freehold Land	21	170.76	170.76
Building	7	5.59	5.13

(ii) In our opinion and according to the information and explanations given to us, the inventory (excluding inventory lying with third parties and material in transit) has been physically verified by the management during the year at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, during the year, to any companies, firms, limited liability partnerships or other parties covered in register maintained under Section 189 of the Act.
In view of the above, reporting under clause 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order is not applicable.

(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 as it is engaged in the business of providing infrastructure facilities as provided under Schedule-VI of the Act. There were no transactions during the year to which the provisions of section 185 of the Act were applicable.

(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 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) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, value added tax, service tax, duty of custom, duty of excise, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as on 31st March, 2018 for a period of more than six months from the date they became payable.

(b) The disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities are annexed in "Appendix A" with this report.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks, Government or debenture holders.

(ix) According to the information and explanations given to us, the Company has applied the term loans for the purpose for which those were obtained. During the year the Company has not raised moneys through initial public offer or further public offer (including debt instruments).

(x) 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 by its officers or employees has been noticed or reported during the year.

(xi) 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.

(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) 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 sections 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone Ind AS financial statements, as required by the applicable Indian accounting standards.

(xiv) 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 convertible debentures during the year and therefore provisions of Section 42 of the Act are not applicable to the Company during the year.

(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 him.

(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.

For S. K. MEHTA & CO. **Chartered Accountants** **Firm Regn. No. 000478N**	**For V SANKAR AIYAR & CO.** **Chartered Accountants** **Firm Regn. No. 109208W**	**For CK PRUSTY & ASSOCIATES** **Chartered Accountants** **Firm Regn. No. 323220E**	**For V. SINGHI & ASSOCIATES** **Chartered Accountants** **Firm Regn. No. 311017E**
Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(CA. ROHIT MEHTA) **Partner** **M. No. 091382**	**(CA. G SANKAR)** **Partner** **M. No. 046050**	**(CA. CHANDRAKANTA PRUSTY)** **Partner** **M. No. 057318**	**(CA. ANIRUDDHA SENGUPTA)** **Partner** **M. No. 051371**

Place of Signature: New Delhi

Date: 22nd May 2018

REPORTING AS PER COMPANIES (AUDITORS' REPORT) ORDER 2016 (DISPUTED STATUTORY DUES)

Appendix - A

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 (Financial Years)
1	**CENTRAL EXCISE ACT, 1944**	CENTRAL EXCISE					
			Supreme Court	98.89	10.00	88.89	1989 to 2007
			High Court	14.74	0.38	14.36	1992 to 2017
			Tribunal	1,825.57	23.24	1,802.33	1998 to 2017
			Revisionary Authority	7.14	0.04	7.10	2000 to 2016
			Appellate Authority (Below Tribunal)	48.88	0.87	48.01	1988 to 2017
			Total	**1,995.22**	**34.53**	**1,960.69**	
2	**CUSTOMS ACT, 1962**	CUSTOMS DUTY					
			Supreme Court	8.98	2.00	6.98	1998 to 2001
			High Court	2.10	2.05	0.05	2004 to 2017
			Tribunal	60.17	1.02	59.15	1994 to 2005
			Revisionary Authority	0.13	0.01	0.12	2011 to 2011
			Appellate Authority (Below Tribunal)	85.22	0.22	85.00	1994 to 2017
			Total	**156.60**	**5.30**	**151.30**	
3	**SALES TAX/ VAT LEGISLATIONS**	SALES TAX/ VAT/ TURNOVER TAX					
			Supreme Court	13.87	-	13.87	1986 to 2004
			High Court	1,279.96	85.70	1,194.26	1982 to 2017
			Tribunal	2,393.07	503.71	1,889.36	1984 to 2018
			Revisionary Authority	896.07	93.68	802.39	1979 to 2011
			Appellate Authority (Below Tribunal)	3,432.28	600.41	2,831.87	1978 to 2017
			Total	**8,015.25**	**1,283.50**	**6,731.75**	
4	**INCOME TAX ACT, 1961**	INCOME TAX					
			Supreme Court				
			High Court	428.31	428.31	-	1986 to 2006
			Tribunal	2,033.40	1,783.29	250.11	2003 to 2013
			Revisionary Authority	-	-	-	
			Appellate Authority (Below Tribunal)	1,218.24	35.21	1,183.03	2007 to 2015
			Total	**3,679.95**	**2,246.81**	**1,433.14**	
5	**FINANCE ACT, 1994**	SERVICE TAX					
			Tribunal	494.64	0.51	494.13	1996 to 2016
			Appellate Authority (Below Tribunal)	10.65	0.13	10.52	2001 to 2017
			Total	**505.29**	**0.64**	**504.65**	

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 (Financial Years)
6	**STATE LEGISLATIONS**	ENTRY TAX					
			Supreme Court	3.08	-	3.08	1991 to 2002
			High Court	26,056.29	16,963.18	9,093.11	1999 to 2018
			Tribunal	1,753.66	220.70	1,532.96	2001 to 2015
			Revisionary Authority	9.50	6.76	2.74	1999 to 2013
			Appellate Authority (Below Tribunal)	11.38	3.63	7.75	1998 to 2015
			Total	**27,833.91**	**17,194.27**	**10,639.64**	
7	**OTHER CENTRAL / STATE LEGISLATIONS**	OTHERS COMMERCIAL TAX etc.					
			Supreme Court	9.78	-	9.78	2005 to 2011
			High Court	69.23	10.00	59.23	2001 to 2013
			Revisionary Authority	7.64	3.35	4.29	2010 to 2010
			Appellate Authority (Below Tribunal)	21.74	1.27	20.47	1999 to 2018
			Total	**108.39**	**14.62**	**93.77**	
			GRAND TOTAL	**42,294.61**	**20,779.67**	**21,514.94**	

Note: Dues include penalty and interest, wherever applicable.

ANNEXURE 2 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 Ind AS financial statements for the year ended 31st March 2018

Directions issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013, indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of Indian Oil Corporation Limited (Standalone) for the year ended 31st March, 2018:

Sl. No.	Directions	Action Taken	Impact on Ind AS financial statements
1	Whether the Company has clear title/ lease deeds for freehold and leasehold respectively? If not, please state the area of freehold and leasehold land for which title/ lease deeds are not available?	The title/lease deeds for freehold and leasehold land are available and held in the name of the Company except title/lease deeds in 46 cases of 2222170 square meters land (Freehold Land in 21 cases of 1088528 square meters and Leasehold Land in 25 cases of 1133642 square meters) are pending for execution in the name of the Company.	NIL
2	Whether there are any cases of waiver/ write off of debts/loans/ interest etc., if yes, the reasons there for and the amount involved.	According to the information and explanations given to us, there are no material cases of waiver/write off of debts/ loans/interest etc. However, in the normal course of business there are cases of waiver/write off etc. which are based on the facts of each case and specific approval as per "Delegation of Authority". Details of waiver/ write off during the year is as under:	NIL
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift / grant(s) from Govt. or other authorities.	In our opinion proper records are maintained for inventories lying with third parties and also for assets received by the Company as gift / grants from government or other authorities.	NIL

Particulars	**₹ in crore**
Write off of Doubtful Debts	8.09
Write off of Doubtful Advances	2.39
Total	**10.48**

For S. K. MEHTA & CO.
Chartered Accountants
Firm Regn. No. 000478N

Sd/-

(CA. ROHIT MEHTA)
Partner
M. No. 091382

For V SANKAR AIYAR & CO.
Chartered Accountants
Firm Regn. No. 109208W

Sd/-

(CA. G SANKAR)
Partner
M. No. 046050

For CK PRUSTY & ASSOCIATES
Chartered Accountants
Firm Regn. No. 323220E

Sd/-

(CA. CHANDRAKANTA PRUSTY)
Partner
M. No. 057318

For V. SINGHI & ASSOCIATES
Chartered Accountants
Firm Regn. No. 311017E

Sd/-

(CA. ANIRUDDHA SENGUPTA)
Partner
M. No. 051371

Place of Signature: New Delhi

Date: 22nd May 2018

ANNEXURE 3 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 Ind AS financial statements for the year ended 31st March 2018

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Indian Oil Corporation Limited ("the Company") as of 31st March 2018 in conjunction with our audit of the standalone Ind AS financial statements 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 over financial reporting 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 over financial reporting 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 deemed to be 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 and, 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles including the Ind AS. A company's internal financial control over financial reporting 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 Ind AS financial statements in accordance with generally accepted accounting principles including the Ind AS, 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting 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 ICAI.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting 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 S. K. MEHTA & CO. **Chartered Accountants** **Firm Regn. No. 000478N**	**For V SANKAR AIYAR & CO.** **Chartered Accountants** **Firm Regn. No. 109208W**	**For CK PRUSTY & ASSOCIATES** **Chartered Accountants** **Firm Regn. No. 323220E**	**For V. SINGHI & ASSOCIATES** **Chartered Accountants** **Firm Regn. No. 311017E**
Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(CA. ROHIT MEHTA) **Partner** **M. No. 091382**	**(CA. G SANKAR)** **Partner** **M. No. 046050**	**(CA. CHANDRAKANTA PRUSTY)** **Partner** **M. No. 057318**	**(CA. ANIRUDDHA SENGUPTA)** **Partner** **M. No. 051371**

Place of Signature: New Delhi

Date: 22nd May 2018

BALANCE SHEET AS AT MARCH 31, 2018

(₹ in Crore)

Particulars	Note No.		March-2018	March-2017
ASSETS				
Non-current Assets				
a) Property, Plant and Equipment	2	**112,887.65**		106,900.73
b) Capital Work-in-Progress	2.1	**13,860.99**		10,223.36
c) Intangible Assets	3	**1,039.67**		978.76
d) Intangible Assets Under Development	3.1	**487.44**		514.46
e) Financial Assets				
i) Investments	4			
Equity investment in Subsidiaries, JV's and Associates		**13,724.65**		13,166.76
Other Investments		**25,364.29**		26,942.43
ii) Loans	5	**2,031.01**		1,096.83
iii) Other Financial Assets	6	**3,764.56**		3,455.63
f) Income Tax Assets (Net)	7	**1,291.33**		5.47
g) Other Non-Current Assets	8	**3,233.35**		3,434.27
			177,684.94	166,718.70
Current Assets				
a) Inventories	9	**65,313.21**		62,240.87
b) Financial Assets				
i) Investments	4	**8,399.32**		7,195.41
ii) Trade Receivables	10	**10,116.52**		8,502.37
iii) Cash and Cash Equivalents	11	**53.65**		52.86
iv) Bank Balances other than above	12	**27.71**		33.64
v) Loans	5	**467.51**		1,747.93
vi) Other Financial Assets	6	**15,288.16**		9,639.38
c) Current Tax Assets (Net)	7	**2.04**		-
d) Other Current Assets	8	**3,225.17**		3,022.76
		102,893.29		92,435.22
Assets Held for Disposal	13	**161.68**		59.35
			103,054.97	92,494.57
TOTAL			**280,739.91**	**259,213.27**
EQUITY AND LIABILITIES				
EQUITY				
a) Equity Share Capital	14	**9,478.69**		4,739.34
b) Other Equity	15	**100,692.33**		94,989.38
			1,10,171.02	99,728.72
LIABILITIES				
a) Financial Liabilities				
i) Borrowings	16	**18,717.60**		20,312.04
ii) Other Financial Liabilities	17	**570.96**		461.92
b) Provisions	18	**2,023.32**		2,926.98
c) Deferred Tax Liabilities (Net)	19	**12,019.57**		6,759.23
d) Other Non-Current Liabilities	20	**1,355.16**		712.04
			34,686.61	31,172.21

BALANCE SHEET AS AT MARCH 31, 2018

(₹ in Crore)

Particulars	Note No.		March-2018	March-2017
Current Liabilities				
a) Financial Liabilities				
i) Borrowings	21	**36,807.56**		30,072.76
ii) Trade Payables	22	**33,106.05**		30,134.29
iii) Other Financial Liabilities	17	**40,815.69**		36,348.12
b) Other Current Liabilities	20	**10,991.38**		12,775.47
c) Provisions	18	**14,161.60**		18,924.73
d) Current Tax Liabilities (Net)	7	**-**		56.97
			135,882.28	128,312.34
TOTAL			**280,739.91**	**259,213.27**
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/-
(Sanjiv Singh)	**(A. K. Sharma)**	**(Kamal Kumar Gwalani)**
Chairman	**Director (Finance)**	**Company Secretary**
DIN - 05280701	**DIN - 06665266**	**ACS - 13737**

As per our attached Report of even date

For S. K. MEHTA & CO.	For V SANKAR AIYAR & CO.	For CK PRUSTY & ASSOCIATES	For V. SINGHI & ASSOCIATES
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn. No. 000478N	Firm Regn. No. 109208W	Firm Regn. No. 323220E	Firm Regn. No. 311017E
Sd/-	Sd/-	Sd/-	Sd/-
(CA. ROHIT MEHTA)	(CA. G SANKAR)	(CA. CHANDRAKANTA PRUSTY)	(CA. ANIRUDDHA SENGUPTA)
Partner	Partner	Partner	Partner
M. No. 091382	M. No. 046050	M. No. 057318	M. No. 051371

Place of Signature: New Delhi

Date: 22nd May 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in Crore)

Particulars	Note No.		March-2018	March-2017
I. Revenue From Operations	23		**5,06,427.59**	4,45,441.90
II. Other Income	24		**3,414.62**	4,200.62
III. Total Income (I+II)			**5,09,842.21**	**4,49,642.52**
IV. Expenses:				
Cost of Materials Consumed	25		**188,780.12**	156,950.55
Excise Duty			**82,388.89**	85,499.75
Purchases of Stock-in-Trade			**152,117.55**	141,925.49
Changes in Inventories of Finished Goods, Stock-in-trade and Stock-In Process	26		**2,327.50**	(15,259.80)
Employee Benefits Expense	27		**10,079.41**	9,718.92
Finance Costs	28		**3,448.44**	3,445.43
Depreciation and Amortization on :				
a) Tangible Assets		**6,994.57**		6,161.81
b) Intangible Assets		**72.44**		61.16
			7,067.01	6,222.97
Net Loss on de-recognition of Financial Assets at Amortised Cost			**7.96**	4.68
Other Expenses	29		**31,061.05**	34,813.29
Total Expenses (IV)			**4,77,277.93**	**4,23,321.28**
V. Profit before Tax (III-IV)			**32,564.28**	26,321.24
VI. Tax Expense:				
Current Tax [includes (₹ 318.87) crore (2017: ₹ 126.24 crore) relating to prior years]			**7,276.45**	7,460.29
Deferred Tax [includes Nil (2017: ₹ 425.66 crore) relating to prior years]			**3,941.71**	(245.45)
VII. Profit For The Year (V-VI)			**21,346.12**	19,106.40
VIII. Other Comprehensive Income:	30			
A (i) Items that will not be reclassified to profit and loss			**208.15**	4,537.97
A (ii) Income Tax relating to items that will not be reclassified to profit and loss			**358.66**	181.18
B (i) Items that will be reclassified to profit and loss			**(232.42)**	247.75
B (ii) Income Tax relating to items that will be reclassified to profit and loss			**62.97**	(99.41)
IX. Total Comprehensive Income for the Year (VII+VIII) (Comprising Profit/ (Loss) and Other Comprehensive Income for the Year)			**21,743.48**	**23,973.89**

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(₹ in Crore)

Particulars	Note No.		March-2018	March-2017
X. Earning per Equity Share (₹):	32			
(1) Basic			**22.52**	20.16
(2) Diluted			**22.52**	20.16
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/-
(Sanjiv Singh)	**(A. K. Sharma)**	**(Kamal Kumar Gwalani)**
Chairman	**Director (Finance)**	**Company Secretary**
DIN - 05280701	**DIN - 06665266**	**ACS - 13737**

As per our attached Report of even date

For S. K. MEHTA & CO.	For V SANKAR AIYAR & CO.	For CK PRUSTY & ASSOCIATES	For V. SINGHI & ASSOCIATES
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn. No. 000478N	Firm Regn. No. 109208W	Firm Regn. No. 323220E	Firm Regn. No. 311017E
Sd/-	Sd/-	Sd/-	Sd/-
(CA. ROHIT MEHTA)	(CA. G SANKAR)	(CA. CHANDRAKANTA PRUSTY)	(CA. ANIRUDDHA SENGUPTA)
Partner	Partner	Partner	Partner
M. No. 091382	M. No. 046050	M. No. 057318	M. No. 051371

Place: New Delhi

Dated: 22nd May, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in Crore)

	Particulars		March-2018		March-2017
A	**Cash Flow from Operating Activities**				
1	Profit Before Tax		**32,564.28**		26,321.24
2	Adjustments for :				
	Depreciation and Amortisation	**7,067.01**		6,222.97	
	Loss/(Profit) on sale of Assets (net)	**157.22**		126.88	
	Loss/(Profit) on sale of Investments (net)	**(92.00)**		20.15	
	Amortisation of Capital Grants	**(30.86)**		(16.39)	
	Provision for Probable Contingencies (net)	**(3,246.53)**		7,413.50	
	MTM Loss/(gain) arising on financial assets/liabilities as at fair value through profit and loss	**81.07**		(114.30)	
	Provision for Loss on Investments (net)	**(18.38)**		(13.11)	
	Bad Debts, Advances & Claims written off	**10.48**		66.72	
	Provision for Doubtful Debts, Advances, Claims and Obsolescence of Stores (net)	**308.54**		34.29	
	MTM Loss/(Gain) on Derivatives	**(130.42)**		113.09	
	Foreign Currency Monetary Item Translation Difference Account	**111.13**		359.63	
	Remeasurement of Defined Benefit Plans thru OCI	**246.64**		(559.76)	
	Interest Income	**(1,782.03)**		(1,759.71)	
	Dividend Income	**(1,096.62)**		(1,106.59)	
	Finance costs	**3,448.44**		3,445.43	
			5,033.69		14,232.80
3	Operating Profit before Working Capital Changes (1+2)		**37,597.97**		40,554.04
4	Change in Working Capital (excluding Cash & Cash Equivalents):				
	Trade & Other Receivables	**(6,051.30)**		1,082.61	
	Inventories	**(3,094.32)**		(23,497.37)	
	Trade and Other Payables	**4,852.51**		16,385.66	
	Change in Working Capital		**(4,293.11)**		(6,029.10)
5	Cash Generated From Operations (3+4)		**33,304.86**		34,524.94
6	Less : Taxes paid		**6,881.06**		6,725.52
7	Net Cash Flow from Operating Activities (5-6)		**26,423.80**		27,799.42
B	**Cash Flow from Investing Activities:**				
	Proceeds from sale of Property, plant and equipment / Transfer of Assets	**389.15**		959.42	
	Purchase of Property, Plant and Equipment	**(7,554.56)**		(5,554.23)	
	Expenditure on Construction Work in Progress	**(9,631.26)**		(8,425.19)	
	Proceeds from sale of financial instruments (other than working capital)	**829.00**		2,728.85	
	Investment in subsidiaries	**(1,611.13)**		(4,747.77)	
	Purchase of Other Investments	**(1,141.56)**		(2,586.82)	
	Receipt of government grants (Capital Grant)	**54.09**		91.90	
	Interest Income received on Investments	**1,790.97**		1,693.35	
	Dividend Income on Investments	**1,096.62**		1,106.59	
	Net Cash Generated/(Used) in Investing Activities:		**(15,778.68)**		(14,733.90)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(₹ in Crore)

	Particulars		March -2018		March -2017
C	**Net Cash Flow From Financing Activities:**				
	Proceeds from Long-Term Borrowings (Including finance lease)	**2,602.44**		(0.00)	
	Repayments of Long-Term Borrowings (Including finance lease)	**(6,151.31)**		(10,664.81)	
	Proceeds from/(Repayments of) Short-Term Borrowings	**6,734.80**		12,526.95	
	Interest paid	**(2,417.98)**		(2,426.23)	
	Dividend/Dividend Tax paid	**(11,408.49)**		(12,707.29)	
	Expenses incurred on issuance of Bonus Shares	**(3.79)**		(3.19)	
	Net Cash Generated/(Used) from Financing Activities:		**(10,644.33)**		(13,274.57)
D	**Net Change in Cash & Cash Equivalents (A+B+C)**		**0.79**		**(209.05)**
E-1	Cash & Cash Equivalents as at end of the year		**53.65**		52.86
	Less:				
E-2	Cash & Cash Equivalents as at the beginning of year		**52.86**		261.91
	NET CHANGE IN CASH & CASH EQUIVALENTS (E 1-2)		**0.79**		**(209.05)**

Notes:

1 Net Cash Flow From Financing Activities includes following non-cash changes:

	Particulars	2017-18	2016-17
	(Gain)/ Loss due to changes in exchange rate	368.84	(681.91)
	Increase in Lease liabilities due to new leases	3.25	1.68
	Total	**372.09**	**(680.23)**

2 Cash Flow Statement is prepared using Indirect Method as per Indian Accounting Standard-7: Cash Flow Statement.

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/-
(Sanjiv Singh)	**(A. K. Sharma)**	**(Kamal Kumar Gwalani)**
Chairman	**Director (Finance)**	**Company Secretary**
DIN - 05280701	**DIN - 06665266**	**ACS - 13737**

As per our attached Report of even date

For S. K. MEHTA & CO.	For V SANKAR AIYAR & CO.	For CK PRUSTY & ASSOCIATES	For V. SINGHI & ASSOCIATES
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn. No. 000478N	Firm Regn. No. 109208W	Firm Regn. No. 323220E	Firm Regn. No. 311017E
Sd/-	Sd/-	Sd/-	Sd/-
(CA. ROHIT MEHTA)	(CA. G SANKAR)	(CA. CHANDRAKANTA PRUSTY)	(CA. ANIRUDDHA SENGUPTA)
Partner	Partner	Partner	Partner
M. No. 091382	M. No. 046050	M. No. 057318	M. No. 051371

Place: New Delhi

Date: 22nd May, 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH 2018

A Equity Share Capital

	March-2018	March-2017
Balance at the beginning of the year	**4,739.34**	2,369.67
Changes in during the year		
Issue of Bonus Shares	**4,739.35**	2,369.67
Balance at the end of the year	**9,478.69**	4,739.34

B Other Equity

	Reserves and Surplus			
	Retained Earnings	Bond redemption reserve	Capital reserve	Insurance reserve
Opening Balance as at 1st April 2016	**70,157.70**	**2,820.12**	**183.08**	**183.48**
Profit for the Year	19,106.40	-	-	-
Other Comprehensive Income	(366.04)*	-	-	-
Total Comprehensive Income	**18,740.36**	**-**	**-**	**-**
Transfer from Bond Redemption Reserve	674.79	(674.79)	-	-
Utilized for issue of Bonus Shares (including Issue Expenses)	(2,372.86)			
Appropriation towards Interim Dividend	(8,531.08)	-	-	-
Appropriation towards Final Dividend	(2,014.34)	-	-	-
Appropriation towards Corporate Dividend Tax	(2,177.09)	-	-	-
Appropriation towards Insurance reserve (Net)	(20.00)	-	-	20.00
Appropriation towards Bond redemption reserve	(465.78)	465.78	-	-
Appropriation towards Corporate Social Responsibility Reserve (net)	1.32	-	-	-
Foreign Currency Exchange Gain/ (Loss) on Long Term Monetary Items	-	-	-	-
FCMITDA amortised during the year	-	-	-	-
Transfer from fair Value of Debt Instruments (recycling)	-	-	-	-
Closing Balance as at 31st March 2017	**73,993.02**	**2,611.11**	**183.08**	**203.48**

Reserves and Surplus			Items of Other Comrehensive Income		Total
Export Profit reserve	Corporate Social Responsibility Reserve	Foreign Currency Monetary Item Translation Difference Account (FCMITDA)	Fair value of Equity Instruments	Fair value of Debt Instruments	
53.72	**4.43**	**(414.88)**	**12,985.14**	**(208.15)**	**85,764.64**
-	-	**-**	-	-	19,106.40
-	-	**-**	5,085.19	148.34	4,867.49
-	**-**	**-**	**5,085.19**	**148.34**	**23,973.89**
-	-	**-**	-	-	-
					(2,372.86)
-	-	**-**	-	-	(8,531.08)
-	-	**-**	-	-	(2,014.34)
-	-	**-**	-	-	(2,177.09)
-	-	**-**	-	-	-
-	-	**-**	-	-	-
-	(1.32)	**-**	-	-	-
-	-	**(77.17)**	-	-	(77.17)
-	-	**359.63**	-	-	359.63
-	-	**-**	-	63.76	63.76
53.72	**3.11**	**(132.42)**	**18,070.33**	**3.95**	**94,989.38**

	Reserves and Surplus			
	Retained Earnings	Bond redemption reserve	Capital reserve	Insurance reserve
Profit for the Year	21,346.12	-	-	-
Other Comprehensive Income	161.28*	-	-	-
Total Comprehensive Income	**21,507.40**	-	-	-
Transfer from Bond Redemption Reserve	162.12	(162.12)	-	-
Utilized for issue of Bonus Shares (including Issue Expenses)	(4,743.14)			
Appropriation towards Interim Dividend	(9,004.90)	-	-	-
Appropriation towards Final Dividend	(474.06)	-	-	-
Appropriation towards Corporate Dividend Tax	(1,921.17)	-	-	-
Appropriation towards Insurance reserve (Net)	(20.00)	-	-	20.00
Appropriation towards Bond redemption reserve	(503.49)	503.49	-	-
Appropriation towards Corporate Social Responsibility Reserve (net)	3.11	-	-	-
Foreign Currency Exchange Gain/ (Loss) on Long Term Monetary Items	-	-	-	-
FCMITDA amortised during the year	-	-	-	-
Transfer from fair Value of Debt Instruments (recycling)	-	-	-	-
Closing Balance as at 31st March 2018	**78,998.89**	**2,952.48**	**183.08**	**223.48**

* Remeasurement of Defined Benefit Plans

For and on Behalf of Board of Directors

Sd/-	Sd/-	Sd/-
(Sanjiv Singh)	**(A. K. Sharma)**	**(Kamal Kumar Gwalani)**
Chairman	**Director (Finance)**	**Company Secretary**
DIN - 05280701	**DIN - 06665266**	**ACS - 13737**

Reserves and Surplus			Items of Other Comrehensive Income		
Export Profit reserve	Corporate Social Responsibility Reserve	Foreign Currency Monetary Item Translation Difference Account (FCMITDA)	Fair value of Equity Instruments	Fair value of Debt Instruments	Total
-	-	-	-	-	21,346.12
-	-	-	405.53	(169.45)	397.36
-	-	-	405.53	(169.45)	21,743.48
-	-	-	-	-	-
					(4,743.14)
-	-	-	-	-	(9,004.90)
-	-	-	-	-	(474.06)
-	-	-	-	-	(1,921.17)
-	-	-	-	-	-
-	-	-	-	-	-
-	(3.11)	-	-	-	-
-	-	(24.48)	-	-	(24.48)
-	-	111.13	-	-	111.13
-	-	-	-	16.09	16.09
53.72	(0.00)	(45.77)	18,475.86	(149.41)	100,692.33

As per our attached Report of even date

For S. K. MEHTA & CO.	For V SANKAR AIYAR & CO.	For CK PRUSTY & ASSOCIATES	For V. SINGHI & ASSOCIATES
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn. No. 000478N	Firm Regn. No. 109208W	Firm Regn. No. 323220E	Firm Regn. No. 311017E
Sd/-	Sd/-	Sd/-	Sd/-
(CA. ROHIT MEHTA)	(CA. G SANKAR)	(CA. CHANDRAKANTA PRUSTY)	(CA. ANIRUDDHA SENGUPTA)
Partner	Partner	Partner	Partner
M. No. 091382	M. No. 046050	M. No. 057318	M. No. 051371

Place: New Delhi
Date: 22nd May, 2018

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, 2018.

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at IndianOil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai.

IOCL is India's Maharatna national oil company with business interests straddling the entire hydrocarbon value chain – from Refining, Pipeline Transportation and Marketing of Petroleum Products to Research & Development, Exploration & Production, Marketing of Natural Gas and Petrochemicals.

Information on other related party relationships of the Company is provided in Note-37.

The financial statements have been approved for issue in accordance with a resolution of the Board of directors on May 22, 2018.

II. Significant Accounting Policies

1. BASIS OF PREPARATION

1.1 The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) (Amendment) Rules, 2016 & Companies (Indian Accounting Standards) (Amendment) Rules, 2017 and comply in all material aspects with the relevant provisions of the Companies Act'2013 and Companies (Amendment) Act,2017.

1.2 The stand-alone 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 policy regarding financial instruments),

1.3 The stand-alone financial statements are presented in Indian Rupees (INR) which is Company's presentation and functional currency and all values are rounded to the nearest Crores (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 The cost of an item of property, plant and equipment 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.

2.1.2 PPE are stated at acquisition cost less accumulated depreciation / amortization and cumulative impairment except freehold land which is stated at historical cost.

2.1.3 Technical know-how / license fee relating to plants/facilities and specific software that are integral part of the related hardware are capitalised 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 during more than a period of 12 months.

2.1.5 The acquisition of PPE, directly increasing the future economic benefits of any particular existing item of property, plant and equipment, which are necessary for the Company to obtain the future economic benefits from its other assets, are recognized as assets.

2.1.6 On transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE recognised as at 1st April 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 on Projects

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 are charged to revenue.

2.2.2 Financing 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 Financing 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 cost. Specific provision is made for likely diminution in value, wherever required.

2.3 Intangible assets

2.3.1 Technical know-how / license fee relating to production process and process design are recognized as Intangible Assets and amortized on a straight line basis over the life of the underlying plant/ facility.

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

2.3.3 Costs 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 capitalised as Intangible Asset and amortised over a period of three years beginning from the quarter in which such software is capitalised. However, where such computer software is still in development stage, costs incurred during the development stage of such software are accounted as "Intangible Assets Under Development".

2.3.4 Right of ways with indefinite useful lives are not amortised, but are 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 their fair value at the date of acquisition. Following initial recognition, Intangible Assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in 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 economic 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 recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized

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 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible assets.

4 Depreciation/Amortization

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 Companies Act, 2013 except in case of the following assets:

a) Useful life of 15 years for Plant and Equipment relating to Retail Outlets (other than storage tanks and related equipments), LPG cylinders and pressure regulators considered based on technical assessment

b) Useful life of 25 years for solar power plant considered based on technical assessment

c) In case of specific agreements e.g. enabling assets etc., useful life as per agreement or Schedule II, whichever is lower

d) In case of certain assets of R&D Centre useful life is considered based on technical assessment

e) In case of immovable assets constructed on leasehold land, useful life as per Schedule-II or lease period of land (including renewable period) , whichever is lower

f) In case of spare parts, useful life is considered based on the technical assessment

Depreciation/ amortization is charged pro-rata on quarterly basis on assets, from/upto the quarter of capitalization/ sale, disposal/ or earmarked for disposal. Residual value is generally considered between 0 to 5% of cost of assets except in few cases where it is considered based on transfer value agreed in respective agreement. Further, in case of catalyst with noble metal content, residual value is considered based on the cost of metal content.

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 Assets, 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.

3. LEASES

3.1 A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

3.2 Operating Leases as a Lessee:

Lease rentals are recognized as expense on a straight line basis with reference to lease terms and other considerations except where-

(i) Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken on lease.; or

(ii) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

Contingent rentals are recognised as expenses in the periods in which they are incurred.

3.3 Operating Leases as a Lessor:

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where-

(i) Another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.; or

(ii) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

3.4 Finance Leases as Lessee:

(i) Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

(ii) A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

3.5 Finance Leases as Lessor: 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 are adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment.

3.6 The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

4. IMPAIRMENT OF NON-FINANCIAL 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 costs 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 costs 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 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 ten years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the tenth 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 recognised 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 recognised 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 recognised. 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 recognised for the asset in prior years.

5. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of the qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised to the Statement of Profit and Loss in the period in which they 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 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 investments, fixed assets 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 recognised in Other Comprehensive Income (OCI) or Statement of profit and loss are also recognised in OCI or Statement of profit and loss, respectively).

6.5 (a) Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency loans as mentioned in Para (b) (i) below.

(b) (i) Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or before March 31, 2016:

Exchange differences on long-term foreign currency loans relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets . In other cases, exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of such long-term foreign currency loan by recognising as gain or loss in the Statement of Profit and Loss.

(ii) **Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1,2016:**

The exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2016 is accounted for in the Statement of Profit and Loss.

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 realizable value, whichever is lower.

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

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

7.2 Finished Products and Stock-in-Trade

7.2.1 Finished Products and Stock in Trade, other than lubricants, are valued at cost determined on 'First in First Out' basis or net realizable value, whichever is lower. Cost of Finished Products produced is determined based on raw materials cost and processing cost.

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

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

7.3 Stores and Spares

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

7.3.2 Stores & Spares in transit are valued at cost.

8. PROVISIONS, CONTINGENCIES & CONTIGENT 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 recognised 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, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Increase in carrying amount of provisions, where interest rate is specified, are accounted in finance cost to the extent of increase attributable to passage of time.

8.1.4 **Decommissioning Liability**

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised 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 recognised in the Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

8.2 Contingent Liabilities and Contingent assets

8.2.1 Show-cause Notices issued by various Government Authorities are not considered as Obligation.

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;

b) all other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.

8.2.4 Estimated amount of contracts remaining to be executed on capital account are considered for disclosure.

8.2.5 A contingent asset is disclosed where an inflow of economic benefits is probable.

9. REVENUE RECOGNITION

9.1 Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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 commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

9.2 Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreement.

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 agent in this arrangement, the Company recognize the revenue on net basis.

9.3 Interest income from financial assets is recognised using effective interest rate (EIR) method.

9.4 Dividend income is recognized when the company's right to receive dividend is established.

9.5 Claims (including interest on outstanding) are recognized at cost when there is reasonable certainty regarding its ultimate collection.

9.6 When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract cost incurred for work performed.

When the outcome of construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that is probable to be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

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.

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 recognised outside profit or loss is recognised 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 recognised 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 nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, 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 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 to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

11.2.3 Deferred tax relating to items recognised outside profit or loss is recognised 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, Ex-gratia and AOD pension fund. 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, Post Retirement Medical Benefits and AOD pension fund 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.

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

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 recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Remeasurements in respect of other long term benefits are recognised in the statement of profit and loss.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- ► Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- ► Net interest expense or income

13. GRANTS

13.1 Government grants are recognised 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 Capital Grants which are recognized as income 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 recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

Subsidy and budgetary support towards under recoveries are reckoned in "Revenue from operations" as per schemes notified by Government from time to time, subject to final adjustments, wherever applicable.

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 recognised in "Other Operating Revenues" in proportion of export obligations actually fulfilled during the accounting period.

Revenue grants are generally recorded under "Other Operating Revenues" except grant in respect of north east excise duty and entry tax exemption, which are 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 recognised 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 costs:

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 costs

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 costs relating to Exploratory Wells are expensed in the year when determined to be dry.

If the project is proved to be viable, then all costs 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 capitalised costs corresponding to proved developed oil and gas reserves is reclassified as 'Completed wells/ Producing wells' from "Capital work-in-progress/ Intangible Asset 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 costs 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.

15. CURRENT VERSUS NON-CURRENT CLASSIFICATION

15.1 The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

15.2 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 equivalent 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.

15.3 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 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 costs 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 amortized.

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.

17.1 Financial Assets

Initial recognition and measurement

All Financial Assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the Financial Asset.

Subsequent measurement

For purposes 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 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 recognised in the profit or 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 recognised 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**

A. Equity Investments (Other than subsidiaries, JVs 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, excluding dividends. 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.

B. Equity investments in subsidiaries, JVs 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.

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 amortized 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 derecognised (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 recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises 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 measured as at FVTPL

c) Lease receivables under Ind AS 17

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 recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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 recognising impairment loss allowance based on 12 month 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.

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 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.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense 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 recognised initially at fair value and, in the case of liabilities measured at amortised cost net of directly attributable transaction costs.

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 recognised in the Statement of Profit and Loss.

B. Financial liabilities at amortized 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 recognised in the Statement of Profit and Loss when the liabilities are derecognised 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.

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 recognised initially as a liability at fair value, adjusted for transaction costs 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 recognised less cumulative amortisation.

17.2.3 **Derecognition**

A Financial Liability is derecognised 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 recognised 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 recognised 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 recognised 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 recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss.

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.

19. TREASURY SHARES

Pursuant to 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 recognised at cost and deducted from equity. No gain or loss is recognised in profit or 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, maximising the use of relevant observable inputs and minimising 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 recognised in the financial statements on a recurring basis, the Company 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 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. Amendments to Standards effective April 1,2017

Amendments to Ind AS 7, Statement of Cash flows

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash changes. The adoption of the amendment has resulted into additional disclosures in relation to cash flow statement.

Amendments to Ind AS 102, Share Based payments

The amendment to Ind AS 102 is not relevant for the Company as it does not have any cash-settled share based payments or share based payments with a net-settled feature.

IV. Standards issued but not yet effective

Amendments to Ind AS 21, The Effects of Changes in Foreign Exchange Rates.

The amendment to Ind AS 21, Foreign currency transactions and advance consideration clarifies the date of the transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The Company will adopt the amendments w.e.f April 1, 2018. The effect on adoption of Ind AS 21 is expected to be insignificant

Ind AS 115, Revenue from Contract with Customers

MCA has notified Ind AS 115 (Revenue from Contracts with Customers) on March 28, 2018 as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. Ind-AS 115 supersedes Ind-AS 11 Construction Contracts and Ind-AS 18 Revenue. According to the new standard, revenue is recognized to depict the transfer of promised goods or services to a customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Ind-AS 115 establishes a five step model that will apply to revenue earned from a contract with a customer.

The standard allows for two methods of adoption: 1) retrospectively to each prior period presented with or without practical expedients, or 2) retrospectively with cumulative effect of adoption as an adjustment to opening retained earnings in the period of adoption. The standard is effective for periods beginning on or after April 1, 2018. Early adoption is not permitted. The Company will adopt this standard retrospectively with cumulative effect of adoption as an adjustment to opening retained earnings effective April 1, 2018.

The Company charges non-refundable fees for new retail outlets from dealers. Under the existing Ind-AS-18, these are recorded as Income immediately on receipt whenever a new dealership agreement is signed. As per Ind-AS-115, receipt of non-refundable fees does not result in transfer of any promised good or service to the customer and therefore, this is to be considered as an advance payment for performance obligations to be satisfied in future. Hence, non-refundable fees are recognized as revenue when those future goods or services are provided to dealers. As goods are sold on regular basis to customer over the dealership agreement, the same will be amortised over the dealership period. The estimated reduction of ₹129 crore is expected in Profit before tax in the Financial Year 2018-19. No significant impact is expected in the opening retained earnings during 2018-19.

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.

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:

Lease classification in case of leasehold land

The Company has obtained various lands from the governments for the purpose of plants, facilities and offices. These lands are having various tenures and at the end of lease term, the lease could be extended for another term or the land could be returned to the government authority. Since land has an indefinite economic life, the mangement has considered 99 years and above cases for finance lease if at the inception of the lease, the present value of minimum lease payments are substantialy equal to fair value of leased assets. Further cases between 90-99 are also evaluated for finance lease on the basis of principle that present value of the minimum lease payments are substantially equal to fair value of the leased asset. In addition, other indicators such as the lessee's ability to renew lease for another term at substantially below market rent, lessee's option to purchase at price significantly below fair value are also examined for classification of land lease. Leases not meeting the finance lease criteria are classified under operating leases.

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

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 securtities 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.

Impairment of Financial Assets

The impairment provisions for trade receivables are 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. Also refer Note-40 for impairment analsysis and provision.

NOTE - 2 PROPERTY PLANT AND EQUIPMENT

Current Year

(₹ in Crore)

		Land - Freehold (Refer A&F)	Land - Leasehold (Refer A&F)	Buildings, Roads etc. (Refer B&F)	Plant And Equipment	Office Equipments	Transport Equipment	Furniture & Fixtures	Railway Sidings	Drainage, Sewage And Water Supply System	Producing Properties	Total
Gross Block	**Gross Block as at 01.04.2017**	**1,940.58**	**211.36**	**10,361.87**	**102,767.14**	**775.31**	**49.51**	**434.55**	**104.77**	**974.53**	**-**	**117,619.62**
	Additions during the year	926.74	53.48	184.86	6,011.13	214.56	6.23	39.53	8.93	15.21	-	7,460.67
	Transfers from construction work-in-progress	0.09	2.09	1,089.38	4,625.39	86.31	0.51	36.02	22.88	129.88	178.23	6,170.78
	Disposals/ Deductions / Transfers / Reclassifications	(21.15)	20.41	(82.67)	(716.05)	(13.1)	0.75	19.77	5.78	(0.67)	-	(786.93)
	Gross Block as at 31.03.2018	**2,846.26**	**287.34**	**11,553.44**	**112,687.61**	**1,063.08**	**57.00**	**529.87**	**142.36**	**1,118.95**	**178.23**	**130,464.14**
DEPRECIATION AMORTISATION	**Depreciation & Amortisation as at 01.04.2017**	**-**	**3.48**	**1,185.46**	**9,022.85**	**324.6**	**10.68**	**89.22**	**13.1**	**69.5**	**-**	**10,718.89**
	Depreciation & Amortisation during the year (Refer D)	-	4.49	571.45	6,081.91	212.54	6.53	67.6	9.2	40.91	2.28	6,996.91
	Disposals/ Deductions / Transfers / Reclassifications	-	9.72	(53.71)	(116.17)	(10.23)	2.91	23.12	5.13	(0.08)	-	(139.31)
	Depreciation & Amortisation as at 31.03.2018	**-**	**17.69**	**1,703.2**	**14,988.59**	**526.91**	**20.12**	**179.94**	**27.43**	**110.33**	**2.28**	**17,576.49**
Net Block	**Net Block as at 31.03.2018**	**2,846.26**	**269.65**	**9,850.24**	**97,699.02**	**536.17**	**36.88**	**349.93**	**114.93**	**1,008.62**	**175.95**	**112,887.65**

Previous Year

(₹ in Crore)

		Land - Freehold (Refer A&F)	Land - Leasehold (Refer A&F)	Buildings, Roads etc. (Refer B&F)	Plant And Equipment	Office Equipments	Transport Equipment	Furniture & Fixtures	Railway Sidings	Drainage, Sewage And Water Supply System	Producing Properties	Total
Gross Block	**Gross Block as at 01.04.2016**	**1,715.43**	**184.02**	**8,852.32**	**8,3351.41**	**578.54**	**34.66**	**338.12**	**91.67**	**89.93**	**-**	**95,236.1**
	Additions during the year	221.19	83.93	431.56	4,094.92	170.15	12.65	52.81	1.07	399.59	-	5,467.87
	Transfers from construction work-in-progress	2.88	14.07	1,101.89	16,389.07	84.87	2.89	50.8	12.12	485.11	-	18,143.7
	Disposals/ Deductions / Transfers / Reclassifications	1.08	(70.66)	(23.9)	(1068.26)	(58.25)	(0.69)	(7.18)	(0.09)	(0.1)	-	(1,228.05)
	Impact of IND-AS application											
	Gross Block as at 31.03.2017	**1,940.58**	**211.36**	**10,361.87**	**102,767.14**	**775.31**	**49.51**	**434.55**	**104.77**	**974.53**	**-**	**117,619.62**
DEPRECIATION & AMORTISATION	**Depreciation & Amortisation as at 01.04.2016**	**-**	**3.04**	**550.18**	**3,877.22**	**172.54**	**4.13**	**24.24**	**5.23**	**4.93**	**-**	**4,641.51**
	Depreciation & Amortisation during the year (Refer D)	-	2.71	635.9	5,198.07	202.44	7.83	68.08	7.94	64.66	-	6,187.63
	Disposals/ Deductions / Transfers / Reclassifications	-	(2.27)	(0.62)	(52.44)	(50.38)	(1.28)	(3.1)	(0.07)	(0.09)	-	(110.25)
	Depreciation & Amortisation as at 31.03.2017	**-**	**3.48**	**1,185.46**	**9,022.85**	**324.6**	**10.68**	**89.22**	**13.1**	**69.5**	**-**	**10,718.89**
Net Block	**Net Block as at 31.03.2017**	**1,940.58**	**207.88**	**9,176.41**	**93,744.29**	**450.71**	**38.83**	**345.33**	**91.67**	**905.03**	**-**	**106,900.73**

A. i) Freehold land includes ₹21.26 crore (2017: ₹9.51 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 ₹1.19 crore is continued to be included in Freehold land

iii) Addition to Freehold land includes ₹731.53 crores on account of additional amount provided on settlement of land compensation cases.

B. i) Buildings include ₹0.01 crore ((2017: ₹0.01 crore) towards value of 1605 ((2017: 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 ₹2038.43 crore ((2017: ₹1785.69 crore) and net block amounting to ₹1271.09 crore (2017: ₹1230.24 crore).

C. During the year ₹ 942.39 crore has been availed as VAT CREDIT /CENVAT/GST ITC out of capital expenditure on CWIP/ assets. The cost of assets are net of VAT CREDIT / CENVAT/GST ITC. wherever applicable.

D. Depreciation and amortisation for the year includes ₹2.34 crore (2017: ₹25.82 crore) relating to construction peried expenses shown Note-2.2.

E. Railways have claimed transfer of ownership in respect of certain assets provided by the Company at railway premises which has not been accepted by the company and continue to be part of fixed assets of the Company. WDV of such assets is ₹ 70.63 crores (2017: ₹ 67.00 crores)

F. Land and Building includes ₹ 211.94 crore (2017: ₹186.63 crore) in respect of which Title / Lease Deeds are pending for execution or renewal

G. For details regarding hypothecation/ pledge of assets. refer Note-16.

Details of assets under lease included in the above (other than leasehold land): **(₹ in Crore)**

Asset Particulars	Gross Block	Accumulated Depreciation & Amortisation	Accumulated Impairment Loss	W.D.V. as at 31.03.18	W.D.V. as at 31.03.17
Taken on Finance Lease					
Buildings	9.9	0.71	-	**9.19**	9.43
Plant and Equipment	3,966.38	489.43	-	**3,476.95**	3,622.45
Transport Equipment	3.25	0.64	-	**2.61**	-
Given on Operating Lease					
Building	2.14	0.17	-	**1.97**	0.95
Plant and Equipment	2.12	0.46	-	**1.66**	1.87

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 31.03.18	W.D.V. as at 31.03.17
Land - Freehold	HPC/BPC	3.27	-		3.27	3.1
Land - Leasehold	HPC/BPC/BALMER LAWRIE	-	-	-	-	0.11
Buildings	HPC/BPC/BALMER LAWRIE	31.75	4.86	-	26.89	26.66
Plant and Equipment	HPC/BPC/GSFC/IPCL/GNRE	50.07	7.61	-	42.46	33.99
Railway Sidings	GSFC	10.33	2.66	-	7.67	7.76
Drainage,Sewage & Water Supply		0.26	0.02	-	0.24	0.24
Total		**95.68**	**15.15**	**-**	**80.53**	**71.86**

Additions to Gross Block Includes: **(₹ in Crore)**

Asset Particulars	Exchange Fluctuation		Borrowing Cost	
	31.03.18	31.03.17	31.03.18	31.03.17
Land - Freehold	-	-	-	-
Land - Leasehold	-	-	-	-
Buildings	**1.40**	13.07	**0.39**	27.53
Plant and Equipment	**153.39**	1,004.79	**136.49**	1,362.03
Office Equipment	-	0.01	**0.04**	0.01
Transport Equipment	-	-	-	-
Furniture & Fixtures	-	-	-	-
Railway Sidings	-	-	-	-
Drainage, Sewage & Water Supply	**18.65**	132.04	**8.78**	117.67
Total	**173.44**	**1,149.91**	**145.70**	**1,507.24**

NOTE-2.1: CAPITAL WORK IN PROGRESS

(₹ in Crore)

Particulars			March-2018	March-2017	
Construction Work in Progress - Tangible Assets					
(Including unallocated capital expenditure, materials at site)					
Balance as at beginning of the year	A	6,976.37		13,693.66	
Add: Additions during the year		8,899.29		7,081.20	
Less: Allocated/ Adjusted during the year		5,942.04		13,798.49	
		9,933.62		6,976.37	
Less: Provision for Capital Losses		20.09		20.47	
			9,913.53		6,955.90
Capital stores					
Balance as at beginning of the year	B	1,769.17		1,535.11	
Add: Additions during the year		3,074.85		2,573.02	
Less: Allocated/ Adjusted during the year		2,162.35		2,338.96	
		2,681.67		1,769.17	
Less: Provision for Capital Losses		7.72		8.10	
			2,673.95		1,761.07
Capital Goods in Transit			597.63		371.27
Construction Period Expenses pending allocation:					
Balance as at beginning of the year		1,135.12		4,798.26	
Add: Net expenditure during the year (Note - 2.2)		454.40		683.67	
		1,589.52		5,481.93	
Less: Allocated/ Adjusted during the year		913.64		4,346.81	
			675.88		1,135.12
TOTAL			**13,860.99**		**10,223.36**
A. Includes Capital Expenditure relating to ongoing Oil & Gas E&P activities.			54.73		94.34
B. Include Stock lying with Contractors			108.84		121.28
C. Specific borrowing eligible for capitalisation (Rate)			1.80% to 9.27%		1.25% to 9.27%

NOTE-2.2: CONSTRUCTION PERIOD EXPENSES (NET) DURING THE YEAR

(₹ in Crore)

Particulars		March-2018	March-2017
Employee Benefit expenses		**310.43**	224.71
Repairs and Maintenance		**2.87**	5.76
Consumption of Stores and Spares		**1.89**	0.01
Power & Fuel		**2.81**	171.79
Rent		**8.58**	6.81
Insurance		**15.33**	13.76
Rates and Taxes		**2.61**	1.16
Travelling Expenses		**34.19**	32.37
Communication Expenses		**1.11**	1.22
Printing and Stationery		**0.72**	0.83
Electricity and Water Charges		**2.73**	6.33
Bank Charges		**0.11**	0.09
Technical Assistance Fees		**0.74**	1.69
Exchange Fluctuation		**(2.68)**	(17.75)
Finance Cost		**19.25**	195.99
Depreciation and Amortization on:			
Tangible Assets		**2.34**	25.82
Start Up/ Trial Run Expenses (net of revenue)		**-**	(0.15)
Others		**54.03**	30.23
Total Expenses		**457.06**	700.67
Less : Recoveries		**2.66**	17.00
Net Expenditure during the year		**454.40**	**683.67**

NOTE-3: INTANGIBLE ASSETS

Current Year (₹ in Crore)

		Right of Way	Licenses	Computer Software	Total
GROSS BLOCK	**Gross Block as at 01.04.2017**	**259.51**	**757.38**	**72.17**	**1,089.06**
	Additions during the year	41.46	26.08	26.34	93.88
	Transfers from Intangible Assets under Development	18.82	0.23	21.49	40.54
	Disposals/ Deductions / Transfers / Reclassifications	(0.24)	(0.39)	(0.52)	(1.15)
	Gross Block as at 31.03.2018	**319.55**	**783.3**	**119.48**	**1,222.33**
AMORTISATION	**Amortisation as at 01.04.2017**	**0.52**	**65.45**	**44.33**	**110.30**
	Amortisation during the year	2.47	40.83	29.14	72.44
	Disposals/ Deductions / Transfers / Reclassifications	-	0.26	(0.34)	(0.08)
	Amortisation as at 31.03.2018	**2.99**	**106.54**	**73.13**	**182.66**
	Net Block as at 31.03.2018	**316.56**	**676.76**	**46.35**	**1,039.67**

Previous Year (₹ in Crore)

		Right of Way	Licenses	Computer Software	Total
GROSS BLOCK	**Gross Block as at 01.04.2016**	**199.83**	**540.42**	**61.25**	**801.50**
	Additions during the year	59.74	42.74	12.42	114.90
	Transfers from Intangible Assets under Development	-	189.35	1.12	190.47
	Deductions / Transfers / Reclassifications	(0.06)	(15.13)	(2.62)	(17.81)
	Gross Block as at 31.03.2017	**259.51**	**757.38**	**72.17**	**1,089.06**
AMORTISATION	**Amortisation as at 01.04.2016**	**0.26**	**28.57**	**20.29**	**49.12**
	Amortisation during the year	0.26	37.05	23.85	61.16
	Disposals/ Deductions / Transfers/ Reclassifications	-	(0.17)	0.19	0.02
	Amortisation as at 31.03.2017	**0.52**	**65.45**	**44.33**	**110.30**
	Net Block as at 31.03.2017	**258.99**	**691.93**	**27.84**	**978.76**

A. Net Block of Intangible assets with indefinite useful life (₹ in Crore)

	At 31st March 2018	At 31st March 2017
Right of Way	**298.72**	257.50

Right of way for laying pipelines are acquired on a perpetual basis.

B. Details of Company's share of Jointly Owned Assets Included in the above: **(₹ in Crore)**

Assets Particulars	Name of joint owner	Gross Block	Accumulated Depreciation and Amortisation	WDV as at 31.03.18	WDV as at 31.03.17
Computer Software	HPC/BPC	0.50	**0.12**	**0.38**	-
Total		**0.50**	**0.12**	**0.38**	**-**

NOTE-3.1: INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Crore)

Particulars		March-2018	March-2017
Work in Progress - Intangible Assets			
(Including Unallocated Capital Expenditure)			
Balance as at beginning of the year	**729.54**		827.37
Add: Net expenditure during the year	**101.67**		126.49
	831.21		953.86
Less: Allocated/ Adjusted during the year	**103.96**		224.32
	727.25		729.54
Less: Provision for Loss	**239.81**		215.08
		487.44	514.46
TOTAL		**487.44**	**514.46**

A. Includes Capital Expenditure (Net) relating to ongoing Oil & Gas E&P activities.	**196.68**	275.06

B. Intangible assets under development are mainly in the nature of E&P Blocks and Licenses & Computer Softwares.

NOTE-4: INVESTMENTS

Particulars	Investment Currency	Face Value/ Paid up Value	March 2018	
			Number	Paid Up Value
				₹
NON-CURRENT INVESTMENTS :				
I In Equity Shares				
A In Subsidiaries (At Cost):				
QUOTED:				
Chennai Petroleum Corporation Limited	Indian Rupees	10	77265200	10
Lanka IOC PLC	Sri Lankan Rupees	10	400000005	10
(Quoted in Colombo Stock Exchange,Sri Lanka)				
UNQUOTED:				
Indian Oil Mauritius Limited	Mauritian Rupees	100	4882043	100
IOC Middle East FZE	Arab Emirates Dirham	1000000	2	1000000
IndianOil Creda Bio Fuels Limited (Dissolved on 08.03.2018)	Indian Rupees	10	-	-
IOC Sweden AB	Swedish Krona	100	4204835	100
IOCL (USA) Inc.	USD	0.01	5763538921	0.01
Indian Catalyst Private Limited (formely known as Indo Cat Private Limited)	Indian Rupees	10	15932700	10
IndOil Global B.V.	Canadian Dollars	1	1116302435	1
IOCL Singapore PTE Ltd	USD	1	730990136	1
Sub- Total: (i)(A)				
B In Associates (At Cost):				
QUOTED:				
Petronet LNG Limited	Indian Rupees	10	187500000	10
UNQUOTED:				
Avi-Oil India Private Limited	Indian Rupees	10	4500000	10
Petronet India Limited (Refer point no. 4 of Note: C)	Indian Rupees	0.10	18000000	0.10
cPetronet VK Limited	Indian Rupees	10	50000000	10
Sub-total: (I)(B)				
C In Joint Ventures (At Cost):				
UNQUOTED:				
IOT Infrastructure & Energy Services Limited	Indian Rupees	10	494828289	10
Indian Oil Panipat Power Consortium Limited	Indian Rupees	10	840000	10
Lubrizol India Private Limited	Indian Rupees	100	499200	100
Indian Oil Petronas Private Limited	Indian Rupees	10	134000000	10
Petronet CI Limited (under liquidation)	Indian Rupees	10	3744000	10
Green Gas Limited	Indian Rupees	10	23042250	10
IndianOil SkyTanking Private Limited	Indian Rupees	10	25950000	10
Suntera Nigeria 205 Limited	Naira rupees	1	2500000	1
Delhi Aviation Fuel Facility Private Limited	Indian Rupees	10	60680000	10
Indian Synthetic Rubbers Private Limited	Indian Rupees	10	222861375	10
NPCIL-IndianOil Nuclear Energy Corporation Limited	Indian Rupees	10	260000	10
GSPL India Gasnet Limited	Indian Rupees	10	100625030	10
GSPL India Transco Limited	Indian Rupees	10	99060000	10
Indian Oil Adani Gas Private Limited	Indian Rupees	10	124000000	10
Mumbai Aviation Fuel Farm Facility Private Limited	Indian Rupees	10	41888750	10
Kochi Salem Pipeline Private Limited	Indian Rupees	10	75000000	10
IndianOil LNG Private Limited	Indian Rupees	10	5000	10
(Also refer point no. C.2 of Note 36)				
Hindustan Urvarak and Rasayan Limited	Indian Rupees	10	333250000	10
Ratnagiri Refineries & Petrochemicals Limited	Indian Rupees	10	50000000	10
Indian Oil Ruchi Biofuels LLP (Capital Fund)	Indian Rupees		-	0
Sub-total: (I)(C)				
Total Investments in Subsidiaries, Associates & JVs [(I)(A)+(I)(B)+(I)(C)]				

March 2018			March 2017				
Investment Value	Impairment Loss/Fair Value Adjustment	Fair Value	Number	Paid Up Value	Investment Value	Impairment Loss/Fair Value Adjustment	Fair Value
(₹ in Crore)	(₹ in Crore)	(₹ in Crore)		₹	(₹ in Crore)	(₹ in Crore)	(₹ in Crore)
(1)	(2)	(1+2)			(1)	(2)	(1+2)
509.33	-	509.33	77265200	10	509.33	-	509.33
194.13	-	194.13	400000005	10	194.13	-	194.13
75.67	-	75.67	4882043	100	75.67	-	75.67
2.30	-	2.30	2	1000000	2.30	-	2.30
-	-	-	18381197	10	18.38	(18.38)	-
294.03	-	294.03	4204835	100	294.03	-	294.03
336.32	-	336.32	5763538921	0.01	336.32	-	336.32
11.18	(4.72)	6.46	15932700	10	11.18	(4.72)	6.46
6,104.48	(564.27)	5,540.21	1116302435	1	6,104.48	(564.27)	5,540.21
4,855.71	-	4,855.71	712758450	1	4,738.24	-	4,738.24
12,383.15	**(568.99)**	**11,814.16**			**12,284.06**	**(587.37)**	**11,696.69**
98.75	-	98.75	93750000	10	98.75	-	98.75
4.50	-	4.50	4500000	10	4.50	-	4.50
0.18	-	0.18	18000000	10	18.00	-	18.00
26.02	(26.00)	0.02	49999970	10	26.02	(26.00)	0.02
129.45	**(26.00)**	**103.45**			**147.27**	**(26.00)**	**121.27**
723.98	(316.66)	407.32	494828289	10	723.98	(316.66)	407.32
1.99	(1.99)	-	840000	10	1.99	(1.99)	-
61.71	-	61.71	960000	100	118.67	-	118.67
134.00	-	134.00	134000000	10	134.00	-	134.00
3.83	(3.83)	-	3744000	10	3.83	(3.83)	-
23.04	-	23.04	23042250	10	23.04	-	23.04
73.28	-	73.28	25950000	10	73.28	-	73.28
0.05	-	0.05	2500000	1	0.05	-	0.05
60.68	-	60.68	60680000	10	60.68	-	60.68
222.86	-	222.86	222861375	10	222.86	-	222.86
0.26	-	0.26	260000	10	0.26	-	0.26
100.63	-	100.63	72025030	10	72.03	-	72.03
99.06	-	99.06	53300000	10	53.30	-	53.30
124.00	-	124.00	85000000	10	85.00	-	85.00
41.89	-	41.89	38271250	10	38.27	-	38.27
75.00	-	75.00	55000000	10	55.00	-	55.00
0.01	-	0.01	5000	10	0.01	-	0.01
333.25	-	333.25	5025000	10	5.03	-	5.03
50.00	-	50.00	-	0	-	-	-
1.60	(1.60)	-	-	0	1.60	(1.60)	-
2,131.12	**(324.08)**	**1,807.04**			**1,672.88**	**(324.08)**	**1,348.80**
14,643.72	**(919.07)**	**13,724.65**			**14,104.21**	**(937.45)**	**13,166.76**

	Particulars	Investment Currency	Face Value/ Paid up Value	March 2018 Number	March 2018 Paid Up Value
					₹
D	**In Others**				
	Investments designated at fair value through OCI:				
	QUOTED:				
	Oil and Natural Gas Corporation Limited	Indian Rupees	5	986885142	5
	GAIL (India) Limited	Indian Rupees	10	54452730	10
	Oil India Limited	Indian Rupees	10	53501100	10
	UNQUOTED:				
	International Cooperative Petroleum Association, New York	USD	100	350	100
	Haldia Petrochemical Limited	Indian Rupees	10	150000000	10
	Vadodara Enviro Channel Limited [a] (Formerly Effluent Channel Projects Limited)	Indian Rupees	10	7151	10
	Woodlands Multispeciality Hospital Limited	Indian Rupees	10	101095	10
	Shama Forge Co. Limited [b] (under liquidation)	Indian Rupees	10	100000	10
	In Consumer Cooperative Societies:				
	Barauni [c]	Indian Rupees	10	250	10
	Guwahati [d]	Indian Rupees	10	750	10
	Mathura [e]	Indian Rupees	10	200	10
	Haldia [f]	Indian Rupees	10	1663	10
	In Indian Oil Cooperative Consumer Stores Limited, Delhi [g]	Indian Rupees	10	375	10
	Sub-total: (I)(D)				
	Sub-total: (I) = [(I)(A)+(I)(B)+(I)(C)+(I)(D)]				
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
	6.65% Cum. Redeemable Non Convertible Preference Shares				
	Sub-total: (II)(A)				
B	**In Others**				
	UNQUOTED:				
	Shama Forge Co. Limited [h] (under liquidation)	Indian Rupees	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	10000	460000	10000
	9.15% Govt Stock 2024	Indian Rupees	10000	1960000	10000
	7.35% Govt.Stock 2024	Indian Rupees	10000	695000	10000
	Sub-total: (III)				

March 2018			March 2017				
Investment Value	Impairment Loss/Fair Value Adjustment	Fair Value	Number	Paid Up Value	Investment Value	Impairment Loss/Fair Value Adjustment	Fair Value
(₹ in Crore)	(₹ in Crore)	(₹ in Crore)		₹	(₹ in Crore)	(₹ in Crore)	(₹ in Crore)
(1)	(2)	(1+2)			(1)	(2)	(1+2)
1,780.12	15,766.70	17,546.82	986885142	5	1,780.12	16,477.25	18,257.37
122.52	1,666.53	1,789.05	40839548	10	122.52	1,416.93	1,539.45
1,123.52	33.97	1,157.49	35667400	10	1,123.52	67.05	1,190.57
0.02	-	0.02	350	100	0.02	-	0.02
150.00	576.75	726.75	150000000	10	150.00	121.20	271.20
-	-	-	7151	10	-	-	-
0.10	-	0.10	101095	10	0.10	-	0.10
-	-	-	100000	10	-	-	-
-	-	-	250	10	-	-	-
-	-	-	750	10	-	-	-
-	-	-	200	10	-	-	-
-	-	-	1663	10	-	-	-
-	-	-	375	10	-	-	-
3,176.28	**18,043.95**	**21,220.23**			**3,176.28**	**18,082.43**	**21,258.71**
17,820.00	**17,124.88**	**34,944.88**			**17,280.49**	**17,144.98**	**34,425.47**
500.00	48.38	548.38	1000000000	10	1,000.00	140.00	1,140.00
500.00	**48.38**	**548.38**			**1,000.00**	**140.00**	**1,140.00**
-	-	-	5000	100	-	-	-
0.00	**0.00**	**0.00**			**0.00**	**0.00**	**0.00**
460.00	(4.20)	455.80	2065000	10000	2,065.00	(61.46)	2,003.54
2,242.91	(123.70)	2,119.21	1948000	10000	2,229.24	(55.27)	2,173.97
704.04	(12.58)	691.46	-	-	-	-	-
3,406.95	**(140.48)**	**3,266.47**			**4,294.24**	**(116.73)**	**4,177.51**

Particulars		Investment Currency	Face Value/ Paid up Value	March 2018 Number	March 2018 Paid Up Value
					₹
IV	**In Debentures or Bonds**				
	Investments at fair value through profit and loss				
	Unquoted:				
	IndianOil LNG Pvt Limited	Indian Rupees	1000000	3265	1000000
	Fully and Compulsorily Convertible Debentures				
	(Also refer point no. C.2 of Note 36)				
	Sub-total: (IV)				
	Total Other Investments [(I)(D)+(II)+(III)+(IV)]				
	Total Non Current Investments (I+II+III+IV)				
	CURRENT INVESTMENTS:				
	In Government Securities (at fair value through OCI)				
	Quoted:				
	Oil Marketing Companies GOI Special Bonds	Indian Rupees	10000	7906020	10000
	9.15% Govt Stock 2024	Indian Rupees	10000	0	-
	In Preference Shares				
	Investments at fair value through profit and loss				
	In Subsidiary Companies:				
	UNQUOTED:				
	Chennai Petroleum Corporation Limited		**10**	**500000000**	**10**
	6.65% Cum. Redeemable Non Convertible Preference Shares				
				Total	

March 2018			March 2017				
Investment Value	Impairment Loss/Fair Value Adjustment	Fair Value	Number	Paid Up Value	Investment Value	Impairment Loss/Fair Value Adjustment	Fair Value
(₹ in Crore)	(₹ in Crore)	(₹ in Crore)		₹	(₹ in Crore)	(₹ in Crore)	(₹ in Crore)
(1)	(2)	(1+2)			(1)	(2)	(1+2)
326.50	**2.71**	**329.21**	**3265**	**1000000**	**326.50**	**39.71**	**366.21**
326.50	**2.71**	**329.21**			**326.50**	**39.71**	**366.21**
7,409.73	**17,954.56**	**25,364.29**			**8,797.02**	**18,145.41**	**26,942.43**
22,053.45	**17,035.49**	**39,088.94**			**22,901.23**	**17,207.96**	**40,109.19**
7,906.01	(40.38)	7,865.63	7038020	10000	7,038.02	144.00	7,182.02
-	-	-	12000	10000	13.67	(0.28)	13.39
500.00	**33.69**	**533.69**	-	-	-	-	-
8,406.01	**(6.69)**	**8,399.32**			**7,051.69**	**143.72**	**7,195.41**

(₹ in Crore)

Particulars	March-2018	March-2017
Aggregate value of quoted investments	**32,427.67**	33,162.52
Aggregate market value of quoted investments	**38,999.10**	39,440.72
Aggregate value of unquoted investments	**15,060.59**	14,142.08
Aggregate amount of impairment in value of investments	**919.07**	937.45

Followings are not reflected above due to rounding off:- **(Amount in ₹)**

	Particulars	March-2018	March-2017
a	Investment Amount	**10**	10
b	Investment Amount	**100**	100
c	Investment Amount	**2,500**	2,500
d	Investment Amount	**2,500**	2,500
e	Investment Amount	**2,000**	2,000
f	Investment Amount	**16,630**	16,630
g	Investment Amount	**3,750**	3,750
h	Investment Amount	**100**	100

Note: A

During the year New investments as well as additional investments were made, as per details below :

Name of the Entity	No. of Shares	(₹ in Crore)
7.35% Govt.Stock 2024	695000	704.04
Hindustan Urvarak and Rasayan Limited	328225000	328.22
IOCL Singapore Pte. Limited	18231686	117.47
Ratnagiri Refinery & Petrochemicals Limited	50000000	50.00
GSPL India Transco Limited	45760000	45.76
IndianOil Adani Gas Private Limited	39000000	39.00
GSPL India Gasnet Limited	28600000	28.60
Kochi Salem Pipelines Private Limited	20000000	20.00
Mumbai Aviation Fuel Farm Facility Private Limited	3617500	3.62
IndianOil - CREDA Bio Fuels Limited	74000	0.07

Note: B

Investment in Oil Marketing Companies GOI Special Bonds consists of:

Nature of Bond	No. of Bonds	Face Value (₹ in Crore)	Fair value (₹ in Crore)
1. Non-Current Investments:			
6.90% GOI SPECIAL BONDS 2026	200,000	200.00	189.29
8.20% GOI SPECIAL BONDS 2023	260,000	260.00	266.51
Total Non-Current Investments	**460,000**	**460.00**	**455.80**
2. Current investment:			
8.13% GOI SPECIAL BONDS 2021	78,000	78.00	79.85
7.95% GOI SPECIAL BONDS 2025	457,250	457.25	462.03
8.20% GOI SPECIAL BONDS 2023	1,193,510	1,193.51	1,223.39
6.90% GOI SPECIAL BONDS 2026	2,882,930	2,882.93	2,728.61
8.00% GOI SPECIAL BONDS 2026	189,270	189.27	191.34
8.20% GOI SPECIAL BONDS 2024	3,105,060	3,105.05	3,180.41
Total Current Investments	**7,906,020**	**7,906.01**	**7,865.63**

Note: C - Other Disclosures

1. During the year, Oil Marketing Companies 8.20% GOI Special Bonds of investment value ₹ 160 crore & 9.15% Govt. Stock 2024 of investment value ₹ 13.67 crore are reclassified from current to non-current investments and Oil Marketing Companies 6.90% GOI Special Bonds of investment value ₹ 1028 crore & CPCL 6.65% Cum. Redeemable Non Convertible Preference Shares of investment value ₹ 500 crore are reclassified from non current to current investments.
2. Out of Government Securities classified as non-current, the following are pledged in favour of Clearing Corporation of India Ltd. (CCIL) for Loans through Collaterised Borrowings and Lending Obligation (CBLO) of CCIL.

(₹ in crore)

Nature of Bonds	March-2018		March-2017	
	Face Value	Carrying Value	Face Value	Carrying Value
6.90% Oil Marketing Companies GOI Special Bonds 2026	**200.00**	**189.29**	1,965.00	1,899.43
9.15% GOVT.STOCK 2024	**1,960.00**	**2,119.21**	1,948.00	2,173.97
7.35% GOVT.STOCK 2024	**695.00**	**691.46**	-	-

3. Out of Oil Marketing Companies GOI Special Bonds,the following has been earmarked in line with the requirement of Companies (Share Capital and Debentures) Rules, 2014.

(₹ in crore)

Nature of Bonds	March-2018		March-2017	
	Face Value	Carrying Value	Face Value	Carrying Value
8.20% GOI SPECIAL BONDS 2023	**258.27**	**264.74**	97.28	101.27

4. During the year, Petronet India Limited (a JV company) has made the reduction in share capital from face value of ₹10/- each to ₹ 0.10/- each by paying off / returning the paid up capital to the extent of ₹ 9.90/- per share.

NOTE-5: LOANS

(Unsecured, Considered Good at amortised cost unless otherwise stated) **(₹ in Crore)**

Particulars	Non Current			Current		
	March 2018		March 2017	March 2018		March 2017
Security Deposits						
To Others						
Secured, Considered Good	**0.06**		2.56	**0.13**		-
Unsecured, Considered Good	**123.08**		113.24	**120.90**		123.39
Unsecured, Considered Doubtful	**0.20**		0.20	**1.38**		0.28
	123.34		116.00	**122.41**		123.67
Less : Provision for Doubtful Deposits	**0.20**		0.20	**1.38**		0.28
		123.14	115.80		**121.03**	123.39
Loans **A**						
To Related Parties						
Secured, Considered Good	**0.10**		0.08	**0.05**		0.02
Unsecured, Considered Good	**120.69**		102.57	**89.69**		609.46
Unsecured, Considered Doubtful	**-**		-	**2.25**		2.25
	120.79		102.65	**91.99**		611.73
Less : Provision for Doubtful Loans	**-**		-	**2.25**		2.25
	120.79		102.65	**89.74**		609.48
To Others						
Secured, Considered Good	**656.39**		564.04	**103.62**		107.46
Unsecured, Considered Good	**1,130.69**		314.34	**153.12**		907.60
Unsecured, Considered Doubtful	**162.16**		-	**0.86**		2.07
	1,949.24		878.38	**257.60**		1,017.13
Less : Provision for Doubtful Loans	**162.16**		-	**0.86**		2.07
	1,787.08		878.38	**256.74**		1,015.06
		1,907.87	981.03		**346.48**	1,624.54
TOTAL		**2,031.01**	1,096.83		**467.51**	1,747.93
A. Includes:						
1. Loans valued at Fair Value through Profit and Loss (FVTPL)		**120.56**	102.46		**-**	-
2. Due from Directors		**0.23**	0.19		**0.11**	0.10
3. Due from Other Officers		**2.08**	2.30		**1.42**	1.17

NOTE-6: OTHER FINANCIAL ASSETS

(Unsecured, Considered Good at amortised cost unless otherwise stated) **(₹ in Crore)**

Particulars		Non Current			Current		
		March 2018		March 2017		March 2018	March 2017
Advances for Investments	A						
Joint Ventures		-		-	-		-
Subsidiary Companies		**1,494.66**		1.07	-		-
		1,494.66		1.07	-		-
Less : Provision for Diminution		-		0.07	-		-
			1,494.66	1.00			-
Amount Recoverable from Central/ State Government							
Unsecured, Considered Good			**-**	-		**9,438.97**	7,748.45
Finance Lease Receivables			**0.38**	1.08		**0.69**	1.11
Deposits for Leave Encashment Fund			**2,088.11**	2,856.36		**-**	-
Interest Accrued on Investments/ Bank Deposits/ Loans			**-**	-		**187.64**	196.58
Advance to Employee Benefits Trusts			**147.42**	557.95		**121.96**	64.85
Receivables on Agency Sales			**-**	-		**4,020.25**	1,144.73
Others	B	**33.99**		39.24	**1,524.87**		489.68
Less: Provision for doubtful asset		**-**		-	**6.22**		6.02
			33.99	39.24		**1,518.65**	483.66
TOTAL			**3,764.56**	3,455.63		**15,288.16**	9,639.38

A. Advances for equity pending allotment and mainly includes share application money of ₹1493.11 crore to IndOil Global BV. paid in March 2018.

'B. Mainly includes:

1. Amount held with bank for purchase of foreign currency for value date 02.04.2018.	907.92	-
2. Interest receivables from Air India Limited	465.04	330.80

NOTE-7: INCOME TAX/CURRENT TAX ASSET/ (LIABILITY) - NET

(₹ in Crore)

Particulars	Non Current			Current		
	March 2018		March 2017	March 2018		March 2017
Income Tax/Current Tax Asset/ (Liability) - Net						
Advance payments for Current Tax	**21,367.83**		5.47	**2.04**		16,592.18
Less : Provisions	**20,076.50**		-	-		16,649.15
		1,291.33	**5.47**		**2.04**	(56.97)
TOTAL		**1,291.33**	**5.47**		**2.04**	**(56.97)**
Includes amount relating to Fringe Benefit Tax		**5.47**	5.47		**2.04**	2.04

NOTE-8: OTHER ASSETS

(Unsecured, Considered Good unless otherwise stated) (₹ in Crore)

Particulars	Non Current			Current		
		March 2018	March 2017		March 2018	March 2017
Advances for Capital Expenditure						
To Related Parties						
Unsecured, Considered Good	8.77		25.78	-		-
	8.77		25.78	-		-
To Others						
Secured, Considered Good	-		9.38	-		-
Unsecured, Considered Good	757.32		923.98	-		-
Unsecured, Considered Doubtful	0.09		0.09	-		-
	757.41		933.45	-		-
	766.18		959.23	-		-
Less: Provision for Doubtful Advances	0.09		0.09	-		-
		766.09	959.14		-	-
Advances Recoverable						
From Related Parties						
Unsecured, Considered Good	286.52		309.09	24.78		29.83
	286.52		309.09	24.78		29.83
From Others						
Secured, Considered Good	-		-	0.16		0.34
Unsecured, Considered Good	219.51		219.51	1,722.71		1,620.25
Unsecured, Considered Doubtful	0.33		0.33	3.10		6.28
	219.84		219.84	1,725.97		1,626.87
Less : Provision for Doubtful Advances	0.33		0.33	3.10		6.28
	219.51		219.51	1,722.87		1,620.59
		506.03	528.60		1,747.65	1,650.42
Claims Recoverable: A						
From Related Parties						
Unsecured, Considered Good	-		-	3.43		1.67
Unsecured, Considered Doubtful	-		-	2.61		2.61
	-		-	6.04		4.28
From Others						
Unsecured, Considered Good	-		-	624.22		635.11
Unsecured, Considered Doubtful	-		-	203.46		91.17
	-		-	827.68		726.28
Less : Provision for Doubtful Claims	-		-	206.07		93.78
		-	-		627.65	636.78
Balance/ Deposits with Government Authorities						
Unsecured, Considered Good		-	-		439.04	416.98
Gold/ Other Precious Metals	-		-	162.70		192.40
Less : Provision for Diminution in value	-		-	13.04		11.36
		-	-		149.66	181.04
Deferred Expenses		630.47	648.06		187.72	60.97
Prepaid Rentals		1,330.76	1,298.47		73.45	76.57
TOTAL		3,233.35	3,434.27		3,225.17	3,022.76
A. Includes:						
1. Customs/ Excise Duty/DEPB/Duty Drawback Claims which are in the process of being claimed with the Department.		-	-		6.10	15.58
2. Claims recoverable from Customs Authorities pending for final assessment / settlement.		-	-		67.27	104.12

NOTE-9: INVENTORIES

(₹ in Crore)

Particulars			March 2018	March 2017
In Hand :				
Raw Materials	A		**17,663.39**	13,162.36
Stock in Process			**4,921.77**	5,184.53
Finished Products	B		**22,051.01**	24,188.80
Stock in Trade	C		**7,255.76**	6,075.82
Stores, Spares etc.	D	**3,220.11**		2,929.57
Less : Provision for Losses		**151.30**		129.32
			3,068.81	2,800.25
Barrels and Tins	E		**41.66**	45.84
			55,002.40	51,457.60
In Transit :			**8,119.15**	7,428.41
Raw Materials			**896.89**	990.68
Finished Products			**1,138.55**	2,151.65
Stock in Trade			**156.22**	212.53
Stores, Spares etc.			**10,310.81**	10,783.27
TOTAL			**65,313.21**	**62,240.87**
Includes-				
A. Includes stock lying with others			**2.91**	16.66
B. Includes stock lying with others			**1,125.07**	1,178.71
C. Includes stock lying with others			**1,499.10**	2,021.69
D.1 Includes Certified Emission Reductions (CER's) rights - Nil (2017: ₹ 30249). Details given in Note-45.				
D.2 Includes stock lying with contractors			**6.93**	9.55
E. Includes stock lying with others			**1.01**	1.41
F. Amount of write down of inventories carried at NRV and recognised as expense.			**740.89**	766.57
G. Amount of reversal of write down of inventories recognised as income.			**0.01**	1.73
H. Valuation of inventories are done as per point no. 7 of significant accounting policies (Note-1).				
I. For hypothecation details refer Note-21.				

NOTE-10: TRADE RECEIVABLES

(At amortised cost)

(₹ in Crore)

Particulars			March 2018	March - 2017
From Related Parties		**111.00**		132.17
Unsecured, Considered Good		**0.09**		0.10
Unsecured, Considered Doubtful		**111.09**		132.27
From Others				
Secured Considered Good		**50.00**		50.00
Unsecured, Considered Good		**9,955.52**		8,320.20
Unsecured, Considered Doubtful		**84.33**		94.70
		10,089.85		8,464.90
Total		**10,200.94**		8,597.17
Less : Provision for Doubtful Debts	A	**84.42**		94.80
			10,116.52	8,502.37
TOTAL			**10,116.52**	**8,502.37**
A. Includes provision as per Expected Credit Loss method in line with accounting policy			**10.14**	8.52

NOTE-11: CASH AND CASH EQUIVALENTS

(₹ in Crore)

Particulars		March 2018	March - 2017
Bank Balances with Scheduled Banks :			
Current Account	**25.44**		13.09
Fixed Deposit - Maturity within 3 months	**0.37**		0.05
		25.81	13.14
Bank Balances with Non-Scheduled Banks		**2.43**	9.75
Cheques, Drafts in hand		**22.92**	28.08
Cash Balances, Including Imprest		**2.49**	1.89
TOTAL		**53.65**	**52.86**

NOTE-12: BANK BALANCES OTHER THAN ABOVE

(₹ in Crore)

Particulars		March 2018	March - 2017
Fixed Deposits	A	**8.49**	6.07
Earmarked Balances	B	**19.21**	27.56
Other Bank Balances	C	**0.01**	0.01
	TOTAL	**27.71**	**33.64**
A) Earmarked in favour of Statutory Authorities.			
B) Pertains to Unpaid Dividend/Fractional Share Warrants		**19.21**	27.56
C) There exist restrictions on repatriation from bank account in Myanmar.		**0.01**	0.01

NOTE-13: ASSETS HELD FOR DISPOSAL

(₹ in Crore)

Particulars	Note	March-2018	March-2017
Freehold land held for sale	A	**2.21**	2.21
Building		**0.43**	0.14
Plant and Equipment		**158.28**	56.12
Office Equipment	B	**0.63**	0.83
Transport Equipment		**0.02**	0.01
Furniture and Fixtures		**0.11**	0.04
Total		**161.68**	**59.35**

A. The Company 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 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. Includes non current assets retired from active use earlier used in various segments and held for disposal through tendering process within a year.

C. During the year, the company has recognized impairment loss of ₹ **97.91 crore** (2017: ₹ 27.10 crore) on write-down of the asset to fair value less costs to sell and the same has been shown under the caption 'Other Expenses' in the Statement of Profit and Loss.

NOTE -14: EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	March-2018	March-2017
Authorized:		
15,00,00,00,000(2017:6,00,00,00,000) Equity Shares of ₹ 10 each	**15,000.00**	6,000.00
Issued Subscribed and Paid Up:		
9,71,18,09,928(2017:4,85,59,04,964) Equity Shares of ₹ 10 each fully paid up	**9,711.81**	4,855.90
Less: Equity Shares held under IOC Shares Trust 23,31,18,456(2017:11,65,59,228) Equity Share of ₹ 10 each fully paid up	**233.12**	116.56
TOTAL	**9,478.69**	**4,739.34**
A. Reconciliation of No. of Equity Shares		
Opening Balance	**4,855,904,964**	2,427,952,482
Shares Issued (Bonus Shares)	**4,855,904,964**	2,427,952,482
Shares bought back	**-**	-
Closing Balance	**9,711,809,928**	**4,855,904,964**

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. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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

C. Details of shareholders holdings more than 5% shares

Name of Shareholder	March-2018		March-2017	
	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
THE PRESIDENT OF INDIA	**5,533,436,444**	**56.98**	2,784,280,657	57.34
OIL & NATURAL GAS CORPORATION LIMITED	**1,337,215,256**	**13.77**	668,607,628	13.77
LIFE INSURANCE CORPORATION OF INDIA	**530,228,840**	**5.46**	375,354,812	7.73

During the year 2017-18, The President of India disinvested 1,75,62,435 equity shares in November 2017 in favour of BHARAT 22 ETF.

D. For the period of preceeding five years as on the Balance Sheet date, the :

(a) Aggregate number and class of shares alloted as fully paid up pursuant to contract(s) wtihout payment being received in cash	NIL
(b) Aggregate number of shares alloted as fully paid up by way of bonus shares:	
• During FY 2016-17(October 2016) in ratio of 1:1	2,42,79,52,482
• 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	NIL

NOTE -15: OTHER EQUITY

(₹ in Crore)

Particulars			March-2018	March-2017
Retained Earnings				
General Reserve:				
As per last Account		**73,993.02**		70,157.70
Add: Remeasurement of Defined Benefit Plans		**161.28**		(366.04)
Add : Transfer from Bond Redemption Reserve		**162.12**		674.79
Less: Utilized for Issue of Bonus Shares including expenses (net of tax)		**4,743.14**		2,372.86
Add: Appropriation from Surplus		**9,425.61**		5,899.43
			78,998.89	73,993.02
Surplus (Balance in Statement of Profit and Loss):				
Profit for the Year		**21,346.12**		19,106.40
Less: Appropriations				
Interim Dividend		**9,004.90**		8,531.08
Final Dividend		**474.06**		2,014.34
Corporate Dividend Tax on:				
Interim Dividend		**1,873.27**		1,757.13
Final Dividend		**47.90**		419.96
Insurance Reserve (Net)		**20.00**		20.00
Bond Redemption Reserve		**503.49**		465.78
Corporate Social Responsibility Reserve (Net)	A	**(3.11)**		(1.32)
General Reserve		**9,425.61**		5,899.43
Balance carried forward to next year			**(0.00)**	-
			78,998.89	73,993.02
Other Reserves				
Bond Redemption Reserve :				
As per last Account		**2,611.11**		2,820.12
Add: Appropriation from Surplus		**503.49**		465.78
Less: Transfer to General Reserve		**162.12**		674.79
			2,952.48	2,611.11
Capital Reserve :				
As per last Account			**183.08**	183.08

(₹ in Crore)

Particulars			March-2018	March-2017
Insurance Reserve :	B			
As per last Account		**203.48**		183.48
Less : Recoupment of uninsured fire loss		**-**		-
Add: Appropriation from Surplus		**20.00**		20.00
			223.48	203.48
Export Profit Reserve	C		**53.72**	53.72
Corporate Social Responsibility Reserve:	A			
As per Last Account		**3.11**		4.43
Add: Appropriation from Surplus		**327.94**		212.67
Less: Utilized during the year		**331.05**		213.99
			-	**3.11**
Foreign Currency Monetary Item Translation Difference Account				
As per Last Account		**(132.42)**		(414.88)
Add: Foreign Currency Exchange Gain/ (Loss) on Long Term Monetary Items		**(24.48)**		(77.17)
Less: Amortized during the year		**(111.13)**		(359.63)
			(45.77)	(132.42)
Fair Value Through Other Comprehensive Income :				
Fair value of Equity Instruments				
As per Last Account		**18,070.33**		12,985.14
Add: Fair value during the year		**405.53**		5,085.19
Less: Transferred to General Reserve		**-**		-
			18,475.86	18,070.33
Fair value of Debt Instruments				
As per Last Account		**3.95**		(208.15)
Add: Fair value during the year		**(169.45)**		148.34
Less: Transferred to statement of profit and loss		**(16.09)**		(63.76)
			(149.41)	3.95
TOTAL			**100,692.33**	**94,989.38**

A. Reserve is created for meeting expenses relating to CSR activities in line with CSR policy of the Company. During the year, an amount of ₹ **327.94 crore** (2017: ₹ 212.67 crore) has been appropriated as per provisions of Companies Act'2013. Out of total available fund for CSR (including unspent amount carried forward from previous year), an amount of ₹ **331.05 crore** (2017: ₹ 213.99 crore) has been spent during the year. Also refer Note-46.

B. Reserve is created to mitigate risk of loss of assets not insured with external insurance agencies.

C. Amount set aside out of profits from exports for availing income tax benefits.

NOTE-16: LONG TERM BORROWINGS

(At Amortised Cost)

(₹ in Crore)

Particulars		Non Current			Current Maturities*		
			March 2018	March 2017		March 2018	March 2017
SECURED LOANS							
Bonds:							
Non-Convertible Redeemable Bonds-Series-VIII B	A&B		-	1,070.00		**1,133.85**	63.85
Term Loans:							
Oil Industry Development Board (OIDB)	C		**458.39**	882.48		**425.81**	719.50
Finance Lease Obligations	D		**3,453.88**	3,605.55		**167.60**	147.52
Total Secured Loans			**3,912.27**	5,558.03		**1,727.26**	930.87
UNSECURED LOANS							
Bonds:							
Foreign Currency Bonds	E	**8,502.93**		8,331.50	**116.76**		115.90
Senior Notes (Bank of America)	F&B	-		648.55	**658.60**		662.09
			8,502.93	8,980.05		**775.36**	777.99
Term Loans:							
From Banks/ Financial Institutions							
In Foreign Currency Loans	G	**5,823.54**		5,773.96	**2.13**		2,725.84
From Government							
In Rupees	H	**478.86**		-	-		-
			6,302.40	5,773.96		**2.13**	2,725.84
Total Unsecured Loans			**14,805.33**	14,754.01		**777.49**	3,503.83
TOTAL LONG-TERM BORROWINGS			**18,717.60**	**20,312.04**		**2,504.75**	**4,434.70**

*Current maturities (including Finance Lease Obligations) are carried to Note - 17: Other Financial Liabilities.

Secured Loans (Bonds : A - B)

	Particulars	Allotment Date	Coupon Rate	Date of Redemption	Security Details
A	10,700 Bonds of face value of ` 10,00,000/- each	10th September 2008	11.00 % p.a. payable annually on 15th September	After 10 years from the date of allotment	These are secured by way of registered mortgage over the immovable properties of the Company i.e. Flat no. 3/62 Nanik Niwas of Shyam Co-op. Housing Society Ltd. situated at Bhulabhai Desai Road at Mumbai, together with 5 shares of the said society and immovable properties of the company at Panipat Refinery situated at Panipat in the state of Haryana.

B	In line with the requirement of Companies (Share Capital and Debentures) Rules, 2014, the company has earmarked 8.20% Oil Marketing companies GOI Special Bonds 2023 of face value of ₹ **258.27 Crore** (2017: ₹ 97.28 Cro re) for total bonds value of ₹ **1721.80 crore** (2017: ₹ 648.55 crore) maturing in the next financial year.

C. Secured Term Loans

1. Security Details for OIDB Loans:

a) First Charge on the facilities at Paradip Refinery, Odisha.
b) First charge on the facilities at Butadiene Extraction Unit, Panipat, Haryana.
c) First charge on the facilities at FCC Unit at Mathura Refinery, Uttar Pradesh.
d) First charge on the facilities at Paradip-Raipur-Ranchi pipeline
e) First charge on the facilities at SMPL System
f) First charge on the facilities at Paradip-Haldia- Durgapur LPG Pipeline

2. Loan Repayment Schedule against loans from OIDB (Secured)-Term Loans

S.No.	Repayable During	Repayable Amount	Range of Interest Rate
1	2018-19	425.81	8.12% - 9.27%
2	2019-20	282.81	8.12% - 8.45%
3	2020-21	177.82	8.12% - 8.27%
	Total	**886.44**	

D. Finance Lease Obligations

The Finanace Lease Obligations is against assets aquired under Finance Lease. The net carrying value of the same is ₹ **3555 crores** (2017: ₹ 3698.77 crore).

Unsecured Loans

E. Repayment Schedule of Foreign Currency Bonds

S.No.	Particulars of Bonds	Date of Issue	Date of Repayment
1	USD 500 million Reg S bonds	1st August 2013	Payable after 10 years from the date of issue
2	SGD 400 million Reg S bonds	15th October 2012	On the same day, cross currency swap amounting to USD 325.57 Million. Payable after 10 years from the date of issue
3	USD 500 Million Reg S bonds	2nd August 2011	Payable after 10 years from the date of issue

F. Repayment Schedule of Senior Notes (Bank of America)

1	USD 300 Million US Private Placement bonds issued in four tranches of USD 75 Million dt. 6th June, 2nd July, 1st August and 4th sept. 2007 are payable in three tranches of USD 100 Million each on 1st August 2016, 1st August 2017 and 1st August 2018

G. Repayment Schedule of loans from Banks and Financial Institution

Sl. No.	Particulars of Loans	Date of drawal	Date of Repayment
1	USD 300 Million syndication loan	29th Sept 2017	Payable after 5 years from the date of drawal
2	USD 250 Million syndication loan	29th Jan 2016	
3	USD 650 Million syndication loan (USD 300 Million repaid on 29th Sept 2017)	27th June 2014	

H. Repayment Schedule of Unsecured Interest Free Loans from Govt of Odisha

1. Interest free loan given by Odisha Government for 15 years disbursed in quarterly installment of ₹175 crore starting from 01.04.2016 repayable after 15 years. The first installment of loan for the period April 2016 to December 2017 of ₹ 1225 crore has been received on 15.01.2018 and thereafter ₹175 crore is received every quarter. Total loan disbused till now is ₹ 1400 crore which is repayable after 15 years from the quarter for which the same is given i.e. in quarterly installments starting from last week of June 2031 onwards. This loan being interest free loan is discounted for fair value and Government grant accounting is done. Also refer Note-47.

NOTE-17: OTHER FINANCIAL LIABILITIES

(₹ in Crore)

(At Amortised Cost unless otherwise stated)

Particulars	Non Current			Current		
		March-2018	March-2017		March-2018	March-2017
Current maturities of long-term debt (Refer Note - 16)		-	-		**2,504.75**	4,434.70
Liability for Capital Expenditure		-	-		**3,625.27**	3,844.39
Liability to Trusts and Other Funds		-	-		**1,176.97**	1,879.79
Employee Liabilities		-	-		**3,317.63**	1,791.23
Liablity For Purchases on Agency Basis		-	-		**3,985.44**	1,153.36
Investor Education & Protection Fund to be credited on the due dates:						
- Unpaid Dividend	-		-	**19.17**		27.53
- Unpaid Matured Deposits	-		-	**0.01**		0.01
		-	-		**19.18**	27.54
Derivative instruments at fair value through profit and loss		-	-		**221.40**	379.03
Security Deposits A		**570.13**	461.16		**23,404.51**	20,918.77
Others		**0.83**	0.76		**2,560.54**	1,919.31
TOTAL		**570.96**	**461.92**		**40,815.69**	**36,348.12**
A. LPG Deposits reclassified as current in line with industry practice and includes towards:						
1. LPG Connection issued under Pradhan Mantri Ujjwala Yojna (PMUY) and Rajiv Gandhi Gramin LPG Vitrak Yojna (RGGLVY) of Government of India.		-	-		**2,811.53**	1,785.76
2. Deposit free LPG connections funded by Chennai Petroleum Corporation Limited.		-	-		**0.57**	-

NOTE-18: PROVISIONS

(₹ in Crore)

Particulars		Non Current			Current		
			March-2018	March -2017		March-2018	March-2017
Provision for Employee Benefits			**2,019.66**	2,923.38		**293.03**	373.69
Decommissioning Liability	A		**3.66**	3.60		**-**	-
Contingencies for probable obligations	B	-		-	**32,320.69**		36,418.41
Less: Deposits		-		-	**18,452.12**		17,867.37
			-	-		**13,868.57**	18,551.04
TOTAL			**2,023.32**	**2,926.98**		**14,161.60**	**18,924.73**

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	3.60	0.08	-	0.03	0.01	3.66
Previous Year Total	**3.33**	**0.27**	**-**	**0.03**	0.03	3.60

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	11.72	8.63	5.03	-	15.32
Sales Tax/ GST	2,570.18	141.34	1.75	0.03	2,709.74
Entry Tax	31,758.05	1,199.51	2,288.35	2,933.26	27,735.95
Others	2,078.46	919.30	824.84	313.24	1,859.68
TOTAL	**36,418.41**	**2,268.78**	**3,119.97**	**3,246.53**	**32,320.69**
Previous Year Total	26,584.61	9,994.95	36.50	124.65	36,418.41

	Addition includes
- capitalized	163.02
- included in Raw Material	470.71
- included in Finance Cost	1,049.71
- included in Employee Benefit Expenses	4.33
- included in Other Expenses	581.01

* Expected timing of outflow is not ascertainable at this stage, the matters being under dispute/ contingent.

NOTE-19: TAXES

(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 31.03.2017	Provided during the year in the Statement of Profit and Loss	Provided during the year in OCI (net)	Balance as on 31.03.2018
Deferred Tax Liability:				
Related to Fixed Assets	18,146.20	2,029.79	-	20,175.99
Foreign Currency gain on long term monetary item	67.63	(51.64)	-	15.99
Total Deferred Tax Liability (A)	**18,213.83**	**1,978.15**	**-**	**20,191.98**
Deferred Tax Assets:				
Provision on Inventories, Trade Receivable, Loans and Advance, Investments	500.97	124.64	-	625.61
Compensation for Voluntary Retirement Scheme	21.09	(7.06)	-	14.03
43B/40 (a)(ia)/other Disallowances etc.	7,821.97	(2,012.12)	-	5,809.85
Fair valuation of Equity instruments	(12.12)	-	444.02	431.90
Fair value of debt instruments	(23.01)	-	54.44	31.43
Others	131.66	(69.02)	-	62.64
Total Deferred Tax Assets (B)	**8,440.56**	**(1,963.56)**	**498.46**	**6,975.46**
MAT credit entitlement (C)	**3,014.04**	**(1,817.09)**	**-**	**1,196.95**
Deferred Tax Liability net of MAT Credit (A-B-C)	**6,759.23**	**5,758.80**	**(498.46)**	**12,019.57**

Note: In view of applicability of long term capital gain tax on listed equity shares w.e.f. 01.02.2018, the company has created deferred tax asset of ₹499.08 crore on the fair value loss amounting to ₹4,284.71 crore occurred between 01.02.2018 to 31.03.2018.

(ii) Reconciliation between the average effective tax rate and the applicable tax rate is as below :

	March-2018 %	March-2017 %
Applicable tax rate	34.608	34.608
Tax effect of income that are not taxable in determining taxable profit	(2.22)	(8.74)
Tax effect of expenses that are not deductible in determining taxable profit	1.05	0.79
Tax effect on recognition of previously unrecognised allowance/disallowances	1.61	1.91
Tax expenses/income related to prior years	(0.98)	(1.14)
Difference in tax due to income chargeable to tax at special rates	(0.03)	(0.02)
Difference due to change in Rate of Tax	0.41	-
Average Effective Tax Rate	**34.45**	**27.41**

NOTE -20: OTHER LIABILITIES

(₹ in Crore)

Particulars	Non Current		Current	
	March-2018	March-2017	March-2018	March-2017
Deferred Income	**6.58**	9.57	**1.82**	2.18
Government Grants (Refer Note 47)	**1,348.58**	702.47	**84.99**	16.78
Statutory Liabilities	**-**	-	**7,488.53**	9,764.91
Advances from Customers	**-**	-	**3,413.49**	2,990.09
Others	**-**	-	**2.55**	1.51
TOTAL	**1,355.16**	**712.04**	**10,991.38**	**12,775.47**

NOTE-21: BORROWINGS - CURRENT

(₹in Crore)

Particulars			March-2018		March-2017
SECURED LOANS					
Loans Repayable on Demand	A				
From Banks:					
Working Capital Demand Loan		**6,102.85**		2,450.53	
Cash Credit		**347.62**		2,667.43	
			6,450.47		5,117.96
From Others:					
Loans through Collaterised Borrowings and Lending Obligation (CBLO) of Clearing Corporation of India Ltd. (CCIL)	B		**2,635.01**		2,635.14
Total Secured Loans			**9,085.48**		**7,753.10**
UNSECURED LOANS					
Loans Repayable on Demand					
From Banks/ Financial Institutions					
In Foreign Currency		**20,821.89**		20,296.79	
In Rupee		**3,900.54**		225.56	
			24,722.43		20,522.35
From Others					
Commercial Papers			**2,999.65**		1,797.31
Total Unsecured Loans			**27,722.08**		22,319.66
TOTAL SHORT-TERM BORROWINGS			**36,807.56**		**30,072.76**

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.

B. Against pledging of following to CCIL:

Government Securities	**2,855.00**	3,913.00
Bank Guarantees	**1,650.00**	1,650.00

NOTE-22: TRADE PAYABLES

(₹ in Crore)

Particulars	March-2018	March-2017
Dues to Micro and Small Enterprises	**23.84**	24.77
Dues to Related Parties	**2,272.00**	1,291.08
Dues to others	**30,810.21**	28,818.44
TOTAL	**33,106.05**	**30,134.29**

NOTE-23: REVENUE FROM OPERATIONS

(₹ in Crore)

Particulars	March-2018		March-2017
Sale of Products and Crude	**507,654.41**		446,466.54
Less: Discounts	**10,253.98**		7,774.14
Sales (Net of Discounts)	**497,400.43**		438,692.40
Sale of Services	**96.16**		78.59
Other Operating Revenues (Note "23.1")	**5,660.45**		1,648.92
		503,157.04	440,419.91
Net Claim/(Surrender) of SSC		**(6.90)**	(207.24)
Subsidy From Central/State Government		**81.11**	80.02
Grant from Government of India		**3,196.34**	5,149.21
TOTAL		**506,427.59**	**445,441.90**

Particulars relating to Revenue Grants are given in Note - 47.

NOTE-23.1: OTHER OPERATING REVENUES

(₹ in Crore)

Particulars	March-2018	March-2017
Sale of Power and Water	**176.38**	110.74
Revenue from Construction Contracts	**5.78**	13.35
Unclaimed / Unspent liabilities written back	**87.07**	265.49
Provision for Doubtful Debts, Advances, Claims, and Stores written back	**53.44**	93.65
Provision for Contingencies written back	**3,246.53**	80.23
Recoveries from Employees	**16.15**	27.18
Retail Outlet License Fees	**849.08**	165.93
Income from Non Fuel Business	**186.02**	198.05
Commission and Discount Received	**7.47**	12.83
Sale of Scrap	**139.11**	106.15
Income from Finance Leases	**0.20**	0.40
Amortization of Capital Grants	**30.86**	16.39
Revenue Grants (Refer Note - 47)	**236.20**	7.96
Commodity Hedging Gain (Net)	**-**	12.34
Terminalling Charges	**72.61**	74.23
Other Miscellaneous Income	**553.55**	464.00
TOTAL	**5,660.45**	**1,648.92**

NOTE-24: OTHER INCOME

(₹ in Crore)

Particulars		March-2018		March-2017
Interest on:	A			
Financial items:				
Deposits with Banks		6.72		28.03
Customers Outstandings		328.78		316.21
Oil Companies GOI SPL Bonds/ Other Investment		905.37		910.17
Other Financial Items		500.91		374.51
Non-Financial items		40.25		130.79
			1,782.03	1,759.71
Dividend:	B			
From Related Parties		376.33		250.27
From Other Companies		720.29		856.32
			1,096.62	1,106.59
Profit on Sale of Investments (Net)	C		108.09	43.61
Fair value Gain on Investment/ Provision Written Back (Net)			18.38	13.11
Exchange Fluctuations (Net)			304.07	1,107.93
Gain on Derivatives			46.40	-
Fair value Gain on Financial instruments classified as FVTPL			-	114.30
Other Non Operating Income			59.03	55.37
TOTAL			**3,414.62**	**4,200.62**
A 1. Includes Tax Deducted at Source			13.55	33.67
A 2. Includes interest received under section 244A of the Income Tax Act.			22.96	111.42
A 3. Include interest on:				
Current Investments			616.44	696.79
Non-Current Investments			288.93	213.38
A 4. Total interest income (calculated using the effective interest method) for financial assets that are not at fair value through profit or loss:				
In relation to Financial assets classified at amortised cost			836.41	718.75
In relation to Financial assets classified at FVOCI			874.75	879.55
B 1. Dividend Income consists of Dividend on:				
Current Investments			14.08	33.88
Non-Current Investments			1,082.54	1,072.71
B.2 Dividend on Non Current Investment Includes Dividend from Subsidiaries			259.03	103.41
C. Includes Gain/(Loss) reclassified from Fair Value of Deb Instruments Reserve			(24.60)	(98.59)

NOTE-25: COST OF MATERIALS CONSUMED

(₹ in Crore)

Particulars	March-2018	March-2017
Opening Stock	20,590.77	12,437.76
Add: Purchases	193,971.89	165,103.56
	214,562.66	177,541.32
Less: Closing Stock	25,782.54	20,590.77
TOTAL	**188,780.12**	**156,950.55**

NOTE-26: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND STOCK IN PROCESS

(₹ in Crore)

Particulars		March-2018	March-2017
Closing Stock			
Finished Products	**22,947.90**		25,179.48
Stock in Process	**4,921.77**		5,184.53
Stock- in - trade	**8,394.31**		8,227.47
		36,263.98	38,591.48
Less:			
Opening Stock			
Finished Products	**25,179.48**		16,946.58
Stock in Process	**5,184.53**		2,511.55
Stock - in - Trade	**8,227.47**		3,873.55
		38,591.48	23,331.68
NET INCREASE / (DECREASE)		**(2,327.50)**	**15,259.80**

NOTE-27: EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

Particulars	March-2018	March-2017
Salaries, Wages, Bonus etc	**7,576.49**	6,670.77
Contribution to Provident & Other Funds	**1,516.55**	2,162.89
Voluntary Retirement Compensation	**1.22**	55.47
Staff Welfare Expenses	**985.15**	829.79
TOTAL	**10,079.41**	**9,718.92**

A. Includes ₹ **16.74 Crore**(2017:₹25.62 Crore) towards compensation to executives for working in shift in the plant/operation area on which the company has taken up the matter with MOP&NG /DPE.

B. Excludes ₹ **310.43 crore** (2017: ₹224.71 crore) included in capital work in progress (Note - 2.2) (out of which ₹ **0.54 crore** (2017: ₹ 0.90 crore) paid to executives working in grass root projects till commercial production, where the company has taken up the matter with MOP&NG) and ₹ **13.94 crore** (2017: ₹ 9.90 crore) included in CSR expenses (Note - 29.1).

C. Includes ₹ **240.47 crore** (2017:Nil) towards SABF contribution for past services prior to 31.12.2006

D. Disclosure in compliance with Indian Accounting Standard-19 on "Employee Benefits" is given in Note - 35.

NOTE-28: FINANCE COSTS

(₹ in Crore)

Particulars		March-2018	March-2017
Interest Payments on Financial items:			
Working Capital Loans:			
Bank Borrowings	**427.21**		306.19
Bonds/Debentures	**-**		3.15
	427.21		309.34
Other Loans:			
Bank Borrowings	**442.10**		462.86
Bonds/Debentures	**590.58**		612.35
Others	**491.55**		467.67
	1,524.23		1,542.88
Unwinding of Discount	**9.54**		3.54
Others	**128.53**		25.12
	2,089.51		1,880.88
Interest Payments on Non Financial items:			
Unwinding of Discount	**0.01**		0.03
Others **A**	**1,079.36**		1,430.04
	1,079.37		1,430.07
		3,168.88	3,310.95
Other Borrowing Cost		**5.49**	7.00
Applicable Net (Gain) / Loss on Foreign Currency Transactions and Translation		**274.07**	127.48
TOTAL		**3,448.44**	**3,445.43**
A. Mainly includes:			
Interest on Entry Tax Liability		**787.60**	**1115.33**
Interest expenses u/s 234 B and 234C		**95.28**	**137.48**
Total interest expense (calculated using the effective interest method) for financial liabilities that are not at fair value through profit or loss		2,089.51	1,880.88

NOTE-29: OTHER EXPENSES

(₹ in Crore)

Particulars	March-2018		March-2017	
Consumption:				
a) Stores, Spares and Consumables	**1,495.14**		1,376.81	
b) Packages & Drum Sheets	**405.04**		429.49	
		1,900.18		1,806.30
Power & Fuel	**17,754.78**		15,040.45	
Less : Fuel from own production	**12,978.28**		11,119.30	
		4,776.50		3,921.15
Throughput, Processing & Blending Fees, Royalty and Other Charges		**1,479.88**		1,418.23
Octroi, Other Levies and Irrecoverable taxes		**1,463.46**		1,362.89
Repairs and Maintenance				
i) Plant & Equipment	**2,895.47**		2,220.87	
ii) Buildings	**288.97**		324.15	
iii) Others	**460.26**		454.33	
		3644.70		2999.35

(₹ in Crore)

Particulars	March-2018	March-2017
Freight, Transportation Charges and Demurrage	**12,395.03**	11,831.95
Office Administration, Selling and Other Expenses (Note "29.1")	**6,023.62**	12,404.90
TOTAL	**31,683.37**	**35,744.77**
Less: Company's use of own Products and Crude	**622.32**	931.48
TOTAL (Net)	**31,061.05**	**34,813.29**

NOTE-29.1: OFFICE,ADMINISTRATION,SELLING AND OTHER EXPENSES

(₹ in Crore)

Particulars	March-2018		March-2017
Rent		**1,109.19**	659.14
Insurance		**105.99**	105.77
Rates & Taxes		**121.70**	90.25
Donations		**10.91**	3.00
Payment to auditors			
As Auditors	**1.60**		1.53
For Taxation Matters	**0.41**		0.23
Other Services(for issuing other certificates etc.)	**0.59**		0.63
For reimbursement of expenses	**0.38**		0.38
		2.98	2.77
Travelling & Conveyance		**652.41**	576.24
Communication Expenses		**62.20**	62.55
Printing & Stationery		**39.59**	39.31
Electricity & Water		**351.89**	310.56
Bank Charges		**27.84**	19.61
Advances & Claims written off		**2.52**	62.04
Provision/ Loss on Assets sold or written off (Net)		**157.22**	126.88
Technical Assistance Fees		**22.18**	17.01
Provision for Doubtful Debts, Advances, Claims, CWIP, Stores etc.		**361.98**	127.94
Security Force Expenses		**719.52**	496.21
Sales Promotion Expenses (Including Commission)		**338.04**	377.46

(₹ in Crore)

Particulars	March-2018	March-2017
Handling Expenses	**460.06**	362.97
Expenses on Enabling Facilities	**0.36**	0.24
Commodity Hedging Losses (Net)	**31.79**	-
Provision for Probable Contingencies	**-**	7,493.73
Exploration & Production Cost	**41.01**	90.62
Loss on Derivatives	**-**	146.54
Fair value Loss on Financial instruments classified as FVTPL	**81.07**	-
Amortisation of FC Monetary Item Translation	**111.13**	359.63
Expenses on Construction Contracts	**5.25**	11.35
Expenses on CSR Activities	**331.05**	213.99
Miscellaneous Expenses	**875.74**	649.09
TOTAL	**6,023.62**	**12,404.90**

A. Expenses Includes:

i) Expenditure on Public Relations and Publicity amounting to ₹ **172.91 crore** (2017: ₹ 87.93 crore) which is inclusive of ₹ **56.34 crore** (2017: ₹ 23.10 crore) on account of Staff and Establishment and ₹ **116.57 crore** (2017: ₹ 64.83 crore) for payment to others. The ratio of annual expenditure on Public Relations and Publicity to the annual turnover (inclusive of excise duty) is **0.00035:1** (2017: 0.0002:1)

NOTE-30: OTHER COMPREHENSIVE INCOME

(₹ in Crore)

Particulars		March-2018	March-2017
Items that will not be reclassified to profit and loss:			
Remeasurement of Defined Benefit Plans	**246.64**		(559.76)
Fair value of Equity Instruments	**(38.49)**		5,097.73
		208.15	4,537.97
Income Tax relating to items that will not be reclassified to profit and loss:			
Remeasurement of Defined Benefit Plans	**(85.36)**		193.72
Fair value of Equity Instruments (Refer Note-19)	**444.02**		(12.54)
		358.66	181.18
Items that will be reclassified to profit and loss:			
Fair value of Debt Instruments		**(232.42)**	247.75
Income Tax relating to items that will be reclassified to profit and loss:			
Fair value of Debt Instruments		**62.97**	(99.41)
TOTAL		**397.36**	**4,867.49**

NOTE–31: DISTRIBUTIONS MADE AND PROPOSED

(₹ in Crore)

Particulars	March-2018	March-2017
Cash dividends on Equity Shares declared:		
Final dividend		
Total Final dividend during the current year for 31 March 2017: ₹ 1.00 per share (31 March 2016: ₹4.25 per share after restatement for bonus shares).	**485.59**	2,063.76
Less Final Dividend pertaining to IOC Share trust (refer Note-2)	**11.66**	49.54
Final dividend net of IOC share trust	**473.93**	2,014.22
DDT on final dividend	**47.90**	419.96
Interim dividend		
Total Interim dividend for 31 March 2018: ₹19.00 per share before bonus issue (31 March 2017: ₹18.00 per share).	**9,226.22**	8,740.63
Less Interim Dividend pertaining to IOC Share trust (refer Note-2)	**221.46**	209.81
Interim dividend net of IOC share trust	**9,004.76**	**8,530.82**
DDT on interim dividend	**1,873.27**	1,757.13
Total	**11,399.86**	**12,722.13**
Proposed dividends on Equity shares		
Final proposed dividend for 31 March 2018: ₹2.00 per share (31 March 2017: ₹0.50 per share after adjustment of bonus issue). The dividend per share without restatement of bonus shares for 31 March'2017 is ₹1.00 per share.	**1,942.36**	485.59
Less Proposed Dividend pertaining to IOC Share trust (refer Note-2)	**46.64**	11.66
Final proposed dividend net of IOC share trust	**1,895.72**	**473.93**
DDT on proposed dividend	**399.26**	47.90
	2,294.98	521.83

Notes

1. Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at 31 March, 2018.
2. Shares held under IOC Share Trust of face value ₹**233.12 crore** (Pre-bonus ₹116.56 crore) has been netted off from paid up capital.
3. The Company has also incurred expenses on distribution of final dividend amounting to ₹**0.13 crore** (2017: ₹0.12 crore) and on distribution of interim dividend amounting to ₹**0.14 crore** (2017: ₹0.26 crore) which has been debited to equity.

NOTE–32: EARNINGS PER SHARE (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

The following reflects the profit and number of shares used in the basic and diluted EPS computations: **(₹ in Crore)**

Particulars	March-2018	March-2017
Profit attributable to equity holders	**21,346.12**	19,106.40
Weighted Average number of equity shares used for computing Earning Per Share (Basic) (Refer Note 1 and 2 below)	**9,478,691,472**	9,478,691,472
Weighted Average number of equity shares used for computing Earning Per Share (Diluted) (Refer Note 1 and 2 below)	**9,478,691,472**	9,478,691,472
Earning Per Share (Basic) (₹)	**22.52**	20.16
Earning Per Share (Diluted) (₹)	**22.52**	20.16
Face value per share (₹)	**10.00**	10.00

Notes

1. Equity Shares held under IOC Share Trust of face value ₹**233.12 crore** (Pre-bonus ₹116.56 crore) has been netted off from weighted average number of equity shares and EPS is worked out accordingly.
2. Pursuant to the approval of the shareholders, the company has issued bonus shares in the ratio of one Equity Shares of ₹10/- each for one existing equity share of ₹10/- each in March 2018. Accordingly, earnings per share (EPS) (basic and diluted) of FY 2016-17 have been adjusted on account of bonus shares.

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-2018	March-2017
Subsidiaries			
Chennai Petroleum Corporation Limited	India	**51.89%**	51.89%
Indian Catalyst Private Limited	India	**100.00%**	100.00%
IndianOil (Mauritius) Ltd.	Mauritius	**100.00%**	100.00%
Lanka IOC PLC	Sri Lanka	**75.12%**	75.12%
IOC Middle East FZE	UAE	**100.00%**	100.00%
IndianOil- Creda Biofuels Ltd.(Dissolved on 08.03.2018)	India	-	74.00%
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 Ltd	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			
IOT Infrastructure & Energy Services Limited	India	**49.38%**	49.34%
Lubrizol India Private Limited	India	**26.00%**	50.00%
Indian Oil Petronas Private Limited	India	**50.00%**	50.00%
Green Gas Limited	India	**49.97%**	49.97%
IndianOil Skytanking Private Limited	India	**50.00%**	50.00%

Name	Country of Incorporation/ Principal place of business	% Equity Interest	
		March-2018	March-2017
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	**50.00%**	50.00%
IndianOil Panipat Power Consortium Ltd.	India	**50.00%**	50.00%
Petronet CI LTD (Under Liquidation)	India	**26.00%**	26.00%
IndianOil Ruchi Bio Fuels LLP	India	**50.00%**	50.00%
Hindustan Urvarak and Rasayan Ltd.	India	**29.67%**	29.67%
Ratnagiri Refinery & Petrochemicals Ltd. (Incorporated on 22.09.2017)	India	**50.00%**	-

NOTE–33B: INTEREST IN JOINT OPERATIONS

(₹ in Crore)

Name	Principle place of business	Proportion of ownership interest	
		March-2018	March-2017
E&P BLOCKS			
1) MN-OSN-2000/2#	India	**20.00%**	20.00%
2) AA-ONN-2001/2@	India	**20.00%**	20.00%
3) GK-OSN-2009/1**	India	**25.00%**	25.00%
4) GK-OSN-2009/2	India	**30.00%**	30.00%
5) CB-ONN-2010/6#	India	**20.00%**	20.00%
6) AAP-ON-94/1	India	**29.03%**	29.03%
7) BK-CBM-2001/1	India	**20.00%**	20.00%
8) NK-CBM-2001/1	India	**20.00%**	20.00%
9) FARSI BLOCK IRAN^	Iran	**40.00%**	40.00%
10) LIBYA BLOCK 86#	Libya	**50.00%**	50.00%
11) LIBYA BLOCK 102/4#	Libya	**50.00%**	50.00%
12) SHAKTHI GABON	Gabon	**50.00%**	50.00%
13) YEMEN 82*	Yemen	**Relinquished**	15.00%
14) AREA 95-96~	Libya	**25.00%**	25.00%
OTHERS			
15) Petroleum India International	India	**27.27%**	27.27%

*Block Yemen 82 relinquished during 2017-18

** Participating interest changed to 25% for exclusive operations in Appraisal phase on account of non participation by GSPC
^ The project 's exploration period ended on 24 June 2009. Negotiations with Iranian Authorities are in progress for development of the Block

Blocks are under relinquishment.

~ Under Force Majeure since 20.05.2014

@ Exploration License expired on 07.10.2015 and approval of entry into Appraisal phase awaited from MoP&NG through DGH.

NOTE–33B: INTEREST IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Iocl share of financial position of above joint operations is as under: **(₹ in Crore)**

Particulars	March-2018	March-2017
Assets	**451.25**	434.55
PPE (including Producing Properties)	**178.23**	-
Capital Work in Progress	**54.73**	94.34
Intangible Asset under Development (Net of Provisions)	**196.68**	275.06
Other Assets (Net of Provisions)	**21.61**	65.15
Liabilities & Provisions	**115.50**	**132.40**
Liabilities	**111.84**	128.80
Provisions	**3.66**	3.60
Incomes	**19.00**	**2.29**
Sale of Products (Net of Own Consumption)	**18.45**	-
Other Income	**0.55**	2.29
Expenditure	**41.14**	**90.93**
Expenditure written off (incl exploration related)	**1.57**	26.93
Other Costs (incl exploration related)	**39.57**	64.00
Commitments	**782.45**	**870.57**
Contingent Liabilities	**-**	**0.13**

NOTE–34: DISCLOSURE RELATING EXPLORATION AND PRODUCTION ACTIVITIES

A. 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.) is as under:

(₹ in Crore)

	Name	March-2018	March-2017
(i)	**Assets**	**204.92**	**308.15**
	- Property, plant and equipment	-	-
	- Intangible assets	-	-
	- Intangible assets under development	**196.68**	275.06
	- Capital Work in Progress	**0.73**	0.83
	- Other Assets	**7.51**	32.26
(ii)	**Liabilities**	**98.58**	**109.93**
	- Trade payables	-	-
	- Provisions	**2.31**	2.34
	- Other liabilities	**96.27**	107.59
(iii)	**Income**	**0.39**	**-**
	- Sale of crude oil	-	-
	- Sale of natural gas	-	-
	- Condensate etc.	-	-
	- Other Income	**0.39**	-
(iv)	**Expenses**	**39.74**	**90.61**
	- Exploration expenditure written off	**1.44**	26.61
	- Other exploration costs	**38.30**	64.00
(v)	**Cash flow**		
	- Net cash from/(used) in operating activities	**(24.52)**	**(78.54)**
	- Net cash from/(used) in investing activities	**82.63**	**(2.22)**

NOTE-34B: IN COMPLIANCE OF REVSIED GUIDANCE NOTE ON ACCOUNTING FOR OIL AND GAS PRODUCING ACTIVITIES, THE REQUIRED DISCLOSURES IN RESPECT OF RESERVES ARE AS UNDER:

During the year, Dirok field of Pre-NELP block AAP-ON-94/1 commenced production of gas and condensate on 26th August 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-2018	
		Crude Oil, Condensate, NGLs	Natural Gas
		TMT	Million Cubic Meter
A) Proved Reserves			
Assam AAP-ON-94/1	Begining	48.34	1730.51
	Addition	0.00	0.00
	Production	0.92	15.25
	Balance	**47.42**	**1715.26**
Total Proved Reserves		**47.42**	**1,715.26**

Assets		March-2018	
		Crude Oil, Condensate, NGLs	Natural Gas
B) Proved developed Reserves			
Assam AAP-ON-94/1	Begining	48.34	1384.41
	Addition	0.00	0.00
	Production	0.92	15.25
	Balance	47.42	1369.16
Total Proved developed Reserves		**47.42**	**1369.16**

Net Proved Reserves & Proved developed Reserves of Crude Oil, Condensate, Natural Gas Liquids and Gas on geographical basis:

Details	March-2018	
	Crude Oil, Condensate, NGLs	Natural Gas
	TMT	Million Cubic Meter
A) Proved Reserves		
India	47.42	1715.26
Total Proved Reserves	**47.42**	**1715.26**
B) Proved developed Reserves		
India	47.42	1369.16
Total Proved developed Reserves	**47.42**	**1369.16**

Frequency

The Proved (PD) and Proved & Developed (PDD) reserves mentioned above are the provisional numbers based on the estimate provided by the operator. For the purpose of estimation of Proved (PD) and Proved Developed (PDD) 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

Provident Fund (EPS-95)

During the year, the company has recognised **₹39.66 crore** (2017 : ₹39.88 crore) as contribution to EPS-95 in the Statment 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 **₹516.68 crore** (2017 : ₹354.13 crore) towards Defined Contributory Employees Pension Scheme in the Statment 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 is remitted to separate provident fund trusts established for this purpose based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss. Shortfall, if any, in the fund assets, based on the Government specified minimum rate of return, will be made good by the company. The company has three Provident Funds maintained by respective PF Trusts in respect of which actuarial valuation is carried out and all three trusts do not have any deficit as on 31st March 2018.

Gratuity:

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the eiligible salary for every completed year 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%.

Post Retirement Medical Scheme (PRMS):

PRMS provides medical benefit to retired employees and eligible dependant family members.

Resettlement Allowance:

Resettlement allowance is paid to employees to permanently settle down at a place other than the location of last posting at the time of retirement.

Ex gratia:

Ex-gratia is payable to those employees who have retired before 01-11-1987 and not covered under the pension scheme. Further, for employees who have retired on or after 01-11-1987 and their entitlement under the pension scheme is less than applicable amount under Ex- Gratia Scheme, such employees are also eligible to the extent of shortfall or difference under Ex-gratia scheme. The scheme of ex-gratia has been restricted to cover only those eligible employees who have retired upto 31.12.06, and not thereafter.

Staff Pension fund at AOD:

The Fund is maintained for disbursement of pension to Officers who have joined erstwhile Assam Oil Company before 14-10-1981 and opted to continue the benefit of pension as existing prior to takeover. The Company is managing the fund after takeover of the erstwhile Assam Oil company in the name of IOCL(AOD) Staff Pension Fund.

Workmen Compensation:

The company pays an equivalent amount of 100 months' salary to the family member of the employee if employee dies while he is on duty. This scheme is not funded by the company. The liability originates out of the Workmen compensation Act and Factory Act.

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 HPL) at the end of every six months. The entire accumulation is permitted for encashment only at the time of retirement. DPE had clarified 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. MOP&NG has advised the company to comply with the DPE Guidelines. However, keeping in view operational complications and service agreements the company has continued with the present practice and requested concerned authorities to reconsider the matter.

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 duration of service completed.

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	Staff Pension Fund at AOD	Resettlement Allowance	Ex-Gratia
	Funded	Funded	Funded	Funded	Non -Funded	Non-Funded
Defined Obligation at the beginning	**11,338.41** *10,310.35*	**1,443.47** *1,428.72*	**4,322.03** *3,515.28*	**2.85** *4.31*	**87.58** *82.02*	**198.42** *197.28*
Current Service Cost	**401.03** *352.26*	**20.77** *11.24*	**197.94** *168.24*	**0.06** *0.12*	**13.96** *13.52*	- -
Past Service Cost	- -	**1,288.12** -	- -	- -	**40.78** -	- -
Interest Cost	**1,122.62** *902.52*	**105.23** *113.73*	**321.99** *283.33*	**0.12** *0.25*	**6.38** *6.53*	**14.90** *15.41*
Contribution by employees	**983.70** *802.03*	- -	- -	- -	- -	- -
Net Liability transferred In / (Out)	**67.52** *64.65*	- -	- -	- -	- -	- -
Benefits paid	**(1,066.71)** *(1,093.67)*	**(149.97)** *(166.83)*	**(180.16)** *(174.74)*	**(1.82)** *(1.77)*	**(6.16)** *(7.31)*	**(27.32)** *(28.76)*
Actuarial (gain)/ loss on obligations	- -	**50.03** *56.61*	**(99.86)** *529.92*	**0.02** *(0.06)*	**(20.20)** *(7.18)*	**4.55** *14.49*
Defined Benefit Obligation at the end of the year	**12,846.57** *11,338.41*	**2,657.59** *1,443.47*	**4,561.94** *4,322.03*	**1.23** *2.85*	**122.34** *87.58*	**190.55** *198.42*

(ii) Reconciliation of balance of Fair Value of Plan Assets **(₹ in Crore)**

	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD	Resettlement Allowance	Ex-Gratia
	Funded	Funded	Funded	Funded	Non -Funded	Non-Funded
Fair Value of Plan Assets at the beginning of the year	**11,694.45**	**1,842.85**	**3,702.41**	**2.87**	-	-
	10,665.55	*1,852.42*	*2,463.84*	*4.32*	-	-
Interest Income	**1,122.62**	**134.34**	**275.83**	**0.12**	-	-
	902.52	*147.46*	*198.59*	*0.25*	-	-
Contribution by employer	**401.03**	-	**772.23**	-	-	-
	352.26	-	*1,189.23*	-	-	-
Contribution by employees	**983.70**	-	**1.18**	-	-	-
	802.30	-	*1.34*	-	-	-
Net Liability transferred In / (Out)	**67.52**	-	-	-	-	-
	64.65	-	-	-	-	-
Benefit paid	**(1,066.71)**	**(149.97)**	**(180.16)**	**(1.82)**	-	-
	(1,093.67)	*(166.83)*	*(174.74)*	*(1.77)*	-	-
Re-measurement (Return on plan assets excluding Interest Income)	**(99.77)**	**10.31**	**70.74**	**0.07**	-	-
	0.84	*9.80*	*24.15*	*0.07*	-	-
Fair value of plan assets at the end of the year	**13,102.84**	**1,837.53**	**4,642.23**	**1.24**	-	-
	11,694.45	*1,842.85*	*3,702.41*	*2.87*	-	-

(iii) Reconciliation of Fair Value of Plan Assets and Defined Benefit Obligation **(₹ in Crore)**

	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD	Resettlement Allowance	Ex-Gratia
	Funded	Funded	Funded	Funded	Non -Funded	Non-Funded
Fair Value of Plan Assets at the end of the year	**13,102.84**	**1,837.53**	**4,642.23**	**1.24**	-	-
	11,694.45	*1,842.85*	*3,702.41*	*2.87*	-	-
Defined Benefit Obligation at the end of the year	**12,846.57**	**2,657.59**	**4,561.94**	**1.23**	**122.34**	**190.55**
	11,338.41	*1,443.47*	*4,322.03*	*2.85*	*87.58*	*198.42*
Amount not recognised in the Balance Sheet (as per para 64 of Ind-As 19)	**(256.27)**	-	-	-	-	-
	(356.04)	-	-	-	-	-
Amount recognised in the Balance Sheet	-	**820.06**	**(80.29)**	**(0.01)**	**122.34**	**190.55**
	-	*(399.38)*	*619.62*	*(0.02)*	*87.58*	*198.42*

(iv) Amount recognised in Statement of Profit and Loss / Contruction Period Expenses **(₹ in Crore)**

	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD	Resettlement Allowance	Ex-Gratia
	Funded	Funded	Funded	Funded	Non -Funded	Non-Funded
Current Service Cost	**401.03** *352.26*	**20.77** *11.24*	**197.94** *168.24*	**0.06** *0.12*	**13.96** *13.52*	- -
Past Service Cost	- -	**1,288.12** -	- -	- -	**40.78** -	- -
Net Interest Cost	- -	**(29.11)** (33.73)	**46.16** *84.74*	- -	**6.38** *6.53*	**14.90** *15.41*
Contribution by employees	- -	- -	**(1.18)** **(1.34)**	- -	- -	- -
Expenses for the year	**401.03** *352.26*	**1,279.78** *(22.49)*	**242.92** *251.64*	**0.06** *0.12*	**61.12** *20.05*	**14.90** *15.41*

The Past service cost in respect of Gratuity includes ₹1,256.28 crore for which provisional liability has already been provided during previous year.

(v) Amount recognised in Other Comprehensive Income (OCI) **(₹ in Crore)**

	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD	Resettlement Allowance	Ex-Gratia
	Funded	Funded	Funded	Funded	Non -Funded	Non-Funded
Actuarial (gain)/ loss on Obligations - Due to change in assumptions	- -	**(81.03)** *62.09*	**192.00** 577.13	**-** *0.03*	**(7.62)** *6.67*	**4.55** *2.47*
Actuarial (gain)/ loss on Obligations - Due to Experience	- -	**31.00** *(5.48)*	**(291.86)** *(47.21)*	**0.02** *(0.09)*	**(12.58)** *(13.85)*	**-** *12.02*
Re- measurement (Retun on plan assets excluding interest income	- -	**10.31** *9.80*	**70.74** *24.15*	**0.07** *0.07*	**-** -	**-** -
Net Loss / (Gain) recognized in OCI	- -	**(60.34)** *46.81*	**(170.60)** *505.77*	**(0.05)** *(0.13)*	**(20.20)** *(7.18)*	**4.55** *14.49*

(vi) Major Actuarial Assumptions

	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD	Resettlement Allowance	Ex-Gratia
	Funded	Funded	Funded	Funded	Non-Funded	Non-Funded
Discount rate	**7.78%** *7.29%*	**7.78%** *7.29%*	**7.76%** *7.45%*	**6.60%** *6.40%*	**7.78%** *7.29%*	**7.82%** *7.51%*
Salary escalation	- -	**8.00%** *8.00%*	- -	**8.00%** *8.00%*	- -	- -
Inflation	- -	- -	**8.00%** *7.00%*	- -	**6.00%** *6.00%*	- -
Average Expected Future Service / Obligation (Years)	- -	**15** *15*	**30** *30*	**2** *2*	**15** *15*	**9** *11*

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.

(vii) Sensitivity on Actuarial Assumptions: **(₹ in Crore)**

Loss / Gain for :	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD	Resettlement Allowance	Ex-Gratia
	Funded	Funded	Funded	Funded	Non-Funded	Non-Funded
Change in Discounting Rate						
Increase by 1%	- -	**(149.02)** *(97.40)*	**(607.15)** *(564.54)*	**(0.01)** *(0.03)*	**(13.34)** *(9.62)*	**(7.34)** *(10.23)*
Decrease by 1%	- -	**171.68** *104.83*	**790.46** *730.89*	**0.01** *0.03*	**16.66** *11.96*	**8.04** *6.03*
Change in Salary Escalation						
Increase by 1%	- -	**38.95** *10.94*	- -	**0.01** *0.03*	- -	- -
Decrease by 1%	- -	**(43.60)** *(12.98)*	- -	**(0.01)** *(0.03)*	- -	- -
Change in Inflation Rate						
Increase by 1%	- -	- -	**467.36** *413.09*	- -	- -	- -
Decrease by 1%	- -	- -	**(383.10)** *(340.75)*	- -	- -	- -

(viii) Investment details:

	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD
	Funded	Funded	Funded	Funded
Investment with Insurer	- -	**98.47%** *98.45%*	**93.95%** *92.28%*	**97.27%** *97.27%*
Self managed investments	**100.00%** *100.00%*	**1.53%** *1.55%*	**6.05%** *7.72%*	**2.73%** 2.73%

Details of the investment pattern for the above mentioned funded obligations is as under:

	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD
	Funded	Funded	Funded	Funded
Government Securities (Central & State)	**44.12%** *43.84%*	**69.33%** *61.39%*	**65.19%** *56.52%*	**2.73%** *2.73%*
Investment in Equity / Mutual Funds	**4.66%** *2.03%*	**5.43%** *6.82%*	**5.18%** *6.38%*	- -
Investment in Debentures / Securities	**41.13%** *43.31%*	21.60% *27.07%*	**25.57%** *31.80%*	- -
Other approved investments (incl. Cash)	**10.09%** *10.82%*	**3.64%** *4.72%*	**4.06%** *5.30%*	**97.27%** *97.27%*

(ix) The following payments are expected projections to the defined benefit plan in future years:

Cash Flow Projection from the Fund/Employer	Gratuity	PRMS	Staff Pension Fund at AOD	Resettlement Allowance	Ex-Gratia
Within next 12 Months	**489.04** *286.00*	**183.81** *173.28*	**0.02** *0.99*	**9.01** *5.66*	**33.03** *29.51*
Between 2 to 5 Years	**1073.84** *1,001.84*	**780.53** *798.10*	**1.36** *2.26*	**33.17** *22.51*	**106.74** *93.76*
Between 6 to 10 Years	**1,101.98** *1077.19*	**1,098.67** *1,210.26*	- -	**43.84** *32.38*	**82.83** *70.03*

Note–36: COMMITMENTS AND CONTINGENCIES

A. LEASES

(a) Operating lease-as Lessee

(i) Lease Rentals charged to the Statement of profit and loss and maximum obligations on long term non-cancellable operating leases payable as per the rentals stated in the respective lease agreements/ arrangements

(₹ in Crore)

	Lease Rentals for Non-Cancellable operating leases	March-2018	March-2017
(a)	Lease rentals recognized during the year (incl. applicable cases as per (iii) below)	**8,237.03**	7,944.02
(b)	Lease Obligations		
	- Within one year	**6,807.13**	7,510.99
	- After one year but not more than five years	**9,936.12**	16,240.64
	- More than five years	**626.81**	842.04

These relate to storage tankage facilities for petroleum products, BOO contract for Nitrogen and Hydrogen Plant, QC labarotary at Paradip Refinery and various other leases in substance as mentioned in (iii) below.

(ii) The company has taken certain assets (including lands,office/residential premises) on Operating Lease which are cancellable by giving appropriate notice as per the respective agreements Incl. applicable cases as per (iii) below. During the current year, **₹1038.21 crore** (2017: ₹366.06 crore) has been paid towards cancellable Operating Lease. Also refer Note 1B for more details on judgements made for lease classification in case of lands.

(iii) Leases in substance (Operating lease: Company as lessee)

The Company has entered into some contracts which are in substance operating lease contracts. Currently, the company has booked payment made under these contracts as expenses in the statement of profit and loss. The details in respect of material operating lease arrangements are as under:

a) IOCL has entered into various agreements with transporters for the movement of petroleum products for different tenures Under these agreements, specific trucks are identified that are used exclusively for the transport operations of IOCL only.

(b) IOCL has entered into agreements with vessel owners for hiring of vessels for different tenures. Specified vessels are identified in the agreement with reference to the name and description of vessel, which can only be used. Such vessels are dedicated for IOCL's use only for the entire period of arrangement. Further, during the lease period, the owner can let out the specific vessel to any third party only after obtaining IOCL's permission. Hence this arrangement is classified as lease as per Appendix C to Ind AS 17.

(c) BOO agreement with Air Liquide Industries is for supply of oxygen and nitrogen at Panipat Refinery for a period of 18 years. The land is owned by IOCL and the plant is being operated by contractor for supply of oxygen and nitrogen to IOCL. There is a commitment to pay monthly minimum amount as per the agreement. IOCL shall always have first right of use of Nitrogen & Oxygen manufactured at the plant. Nitrogen gas manufactured by the contractor is mainly supplied to IOCL. Hence this arrangement is classified as lease as per Appendix C to Ind AS 17.

Details of expenses booked under various arrangements are as under:

(₹ in Crore)

Operating Lease cases under Appendix C of Ind-AS-17	March-2018	March-2017
Processing Fee under the head "Other expenses" in relation to lubricants filling arrangement	**0.19**	0.23
Handling expense under the head "Other expenses" in relation to CFA arrangement	**38.48**	39.53
Freight and transportation charges under the head "Other Expenses" in relation to arrangement with transporters	**7,505.79**	6,803.45
Processing Fee and other charges under the head "Other expenses" in relation to terminalling arrangement with GCPTCL	**9.12**	2.10

Processing Fee and other charges under the head "Other expenses" in relation to bottling arrangement with CPCL	**11.25**	12.24
Transportation charges under the head "Other expenses" in relation to Prime Mover Agreement	**6.83**	5.39
Purchase of nitrogen & oxygen for supply of oxygen and nitrogen at Panipat Refinery under " Cost of materials consumed"	**77.25**	95.97
Freight charges under the head "Cost of Materials Consumed"/"Other expenses" in relation to Time Charter Arrangement	**803.74**	1,358.03

b) Operating lease - as Lessor

The lease rentals recognized as income in these statements as per the rentals stated tin the respective agreements:

(₹ in Crore)

	March-2018	March-2017
A. Lease rentals recognized as income during the year	**5.57**	3.95
B. Value of assets given on lease included in tangible assets		
- Gross Carrying Amount	**4.26**	3.22
- Accumulated Depreciation	**0.63**	0.40
- Depreciation recognized in the Statement of Profit and Loss	**0.15**	0.15

These relate to storage tankage facilities for petroleum products and buildings given on lease.

(c) Finance lease - was Lessee

The company has entered into following material finance lease arrangements:

(i) BOOT agreement with IOT Utkal Energy Services Ltd. in respect of Tankages facility for a period of 15 years. Lessor will transfer ownership to IOCL after 15 Years at Nil value.

(ii) BOOT agreement with IL&FS in respect of Water Intake facility for a period of 25 years. Lessor will transfer ownership to IOCL after 25 Years at ₹ 0.01 crore.

(iii) The company has entered into finance lease arrangements with Gujarat Adani Port Limited related to Port facilities at Gujarat for a period of 25 years and 11 months.

(iii) The Company has obtained various lands from the governments for purpose of plants, facilities and offices. Lease cases where at the inception of the lease, the present value of minimum lease payments is substantially equal to the fair value of leased assets are considered under finance leases. Also refer Note 1B for more details on judgements made for lease classification.

Disclosure under Finance Lease as Lessee:

(₹ in Crore)

	March-2018	March-2017
(i) Minimum lease payments		
- Within one year	**562.06**	557.28
- After one year but not more than five years	**2,229.72**	2,222.27
- More than five years	**4,279.84**	4,819.27
Total	**7,071.62**	**7,598.82**

(ii) Present value of minimum lease payments		
- within one year	**167.60**	147.52
- After one year but not more than five years	**856.53**	766.63
- More than five years	**2,597.35**	2,838.92
Total	**3,621.48**	**3,753.07**
Add: Future finance charges	**3,450.14**	3,845.75
Total	**7,071.62**	**7,598.82**

The Net Carrying amount of the assets acquired under Finance Lease is disclosed in Note – 2

(d) Finance lease - as Lessor

The company has entered into following material finance lease arrangements:

(i) 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) Company has entered into a lease agreement with Indian Synthetic Rubber Private Limited in which the compay has leased out land for one time upfront payment of ₹16.65 crores

(₹in Crore)

	March-2018	March-2017
A. Gross Investments in Finance Lease	**432.28**	**432.29**
Less: Unearned Finance Income	**0.16**	0.38
Less: Finance Income Received	**170.98**	170.76
Less: Minimum Lease payment received	**260.07**	258.96
Net Investment in Finance Lease as on Date	**1.07**	**2.19**
B. Unearned finance Income	**0.16**	**0.38**
C. Present Value of Minimum Lease Payments Receivable		
- Within one year	**0.69**	1.11
- After one year but not more than five years	**0.38**	1.08
- More than five years	**0.00**	0.00
Total	**1.07**	**2.19**
D. Break-up of un-earned income		
- Within one year	**0.11**	0.22
- After one year but not more than five years	**0.05**	0.16
- More than five years	**0.00**	0.00
Total	**0.16**	**0.38**

B. CONTINGENT LIABILITIES

B.1 Claims against the Company not acknowledged as debt

Claims against the Company not acknowledged as debt amounting to ₹ **8025.58 crore** (2017: ₹9251.66 crore) are as under:

B.1.1 ₹**373.35 crore** (2017: ₹152.8 crore;) being the demands raised by the Central Excise /Customs/ Service Tax Authorities including interest of ₹**19.58 crore** (2017: ₹29.96 crore.)

B.1.2 ₹**31.23 crore** (2017: ₹73.59 crore) in respect of demands for Entry Tax from State Governments including interest of ₹**3.07 crore** (2017: ₹8.98 crore).

B.1.3 ₹**2773.87 crore** (2017: ₹2844.9 crore) being the demands raised by the VAT/ Sales Tax Authorities including interest of ₹**1332.72 crore** (2017: ₹1416.64 crore).

B.1.4 ₹**1834.36 crore** (2017: ₹2363.48 crore;) in respect of Income Tax demands including interest of ₹**614.06 crore** (2017: ₹594.57 crore)**.**

B.1.5 ₹**2005.42 crore** (2017: ₹2656 crore) including ₹**1616.36 crore** (2017: ₹2401.88 crore) on account of Projects for which suits have been filed in the Courts or cases are lying with Arbitrator. This includes interest of ₹**155.86 crore** (2017: ₹44.24 crore).

B.1.6 ₹**1007.35 crore** (2017: ₹1160.89 crore) in respect of other claims including interest of ₹**405.84 crore** (2017: ₹258.38 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 33 B.

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 Corporacion 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 ₹**2,387.99 crore - USD 366.37 million** (2017: ₹2,376.09 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. 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 ₹ **4,588.28 crore** - CAD 905.65 million (2017: 11,570.97 crore - CAD 2,380.74 million). In 2017, the sanctioned amount is reduced by CAD 1,462 million due to winding down of LNG plant.

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, Syndicate Bank, Canara Bank, Bank of Baroda and Axis bank'. The Company's share of such obligation is estimated at ₹ **3,280.94 crore** (2017: ₹ 2,471.38 crore).

B.2.4 The Company has issued Corporate Guarantee, on behalf of IndianOil LNG Private Limited (IOLPL), to the extent of obligations of IOLPL under Performance Bank Guarantee Facility provided to IOLPL by State Bank of India. The estimated amount of such obligation is at ₹ **11.40 crore** (2017: ₹ 11.40 crore).

B.3 Other money for which the company is contingently liable

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.

C. COMMITMENTS

C.1 Capital Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for ₹**14748.6 crore** (2017: ₹ **12902.79 crore)**."Capital Commitments in respect of Joint Operations are disclosed in Note 33B.

C.2 Other Commitments

C.2.1 The Company has an export obligation to the extent of ₹ **2822.44 crore** (2017: ₹ 5325.89 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 To meet the direction of Honourable High court of Orissa, the company has a commitment to pay ₹**280.1 crore** (2017: ₹280.1 crore) towards providing high tech ambulances, removal of old anicut and construction of water treatment plant in the state of Orissa . In addition the company has to incur cost towards dredging through Orissa Construction Co , a state government agency estimate for which yet to be finalised."

C.2.3 IndianOil LNG Private Limited (IOLPL), the JV company, has entered into Debenture Subscription Agreement with ICICI Bank (ICICI), in which, the Company (IOCL), as promoter of IOLPL, has provided put option under which ICICI has option to sell Compulsory Convertible Debenture (CCD) to the Company (IOCL) before the expiry date. In addition to this, the Company, at the sole discretion, has right to acquire CCD from ICICI on or before the expiry date. The company's (IOCL) share of such obligation is ₹ **949.05 Crore** (2017: ₹ 341.28 Crore).

C.2.4 The Company through IOCL Singapore Pte Ltd has entered into an agreement with Shell Overseas Holding Ltd to acquire 17% participating interest in the Mukhaizna Oil Field, Oman by acquiring 100% of the share capital in Shell Exploration & Production Oman Ltd (SEPOL). The Company has outstanding investment commitment of ₹ 2144.42 Crore payable as on 31 March 2018. The acquisition of SEPOL was completed on 05th April 2018.

D. CONTINGENT ASSETS

(₹ in Crore)

		March-2018	March-2017
a.	A customer had lodged a claim against the company challenging the pricing mechanism of utilities provided. The matter was referred to arbitration and award was given in favour of the company. During the year Customer has approached Honourable High court challenging the award of arbitration and the case is pending with Honourable High court for final adjudication. Honourable High court vide its interim orders dated 28.08.2017 and 19.04.2018 has directed the customer to deposit the principal amount and interest amount respectively in the Registry of the court. Court has also directed that the amount deposited by the customer shall be released to the company upon furnishing an unconditional Bank Guarantee of the equivalent amount. The management has treated a portion of the same as contingent asset pending adjudication of matter with Honourable High Court.	**112.98**	96.00
b.	Contingent Asset 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.	**3.48**	3.36
	Total	**116.46**	**99.36**

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) IndianOil - CREDA Biofuels Limited
6) Indian Catalyst Private Limited
7) IOC Sweden AB
8) IOCL (USA) INC.
9) IndOil Global B.V., Netherlands
10) IOCL Singapore Pte. Limited
11) IndOil Montney Limited
12) IOC Cyprus Limited

B) The following transactions were carried out with Subsidiary Companies/Entities in the ordinary course of business:

(₹ in Crore)

		March-2018	March-2017
1	Sales of Products / Services [Includes sales to Chennai Petroleum Corporation Limited **₹ 525.90 crore** (2017: ₹ 668.61 crore) and Lanka IOC PLC **₹ 186.63 crore** (2017: ₹ 30.36 crore)]	**720.98**	703.90
2	Other Operating Revenue / Other Income [Includes Other Operating Revenue / Other Income from Chennai Petroleum Corporation Limited **₹ 242.33 crore** (2017: ₹ 81.80 crore)]	**284.35**	127.48
3	Purchase of Products [Includes Purchase of Products from Chennai Petroleum Corporation Limited **₹ 39,009.04 crore** (2017: ₹ 36,093.58 crore)]	**39,009.04**	36,093.58
4	Purchase of Chemicals/ Materials [Includes Purchase of Chemicals/ Materials from IOCL Singapore Pte. Limited **₹ 1,695.21 crore** (2017: Nil) and Chennai Petroleum Corporation Limited **₹ 858.39 crore** (2017: ₹ 825.60 crore)]	**2,553.60**	834.98
5	Handling/ Other Expenses [Includes Handling/ Other Expenses to Chennai Petroleum Corporation Limited **₹ 6.97 crore** (2017: ₹ 0.93 crore) and Lanka IOC PLC **₹ 4.58 crore** (2017: ₹ 5.46 crore)]	**13.34**	8.84
6	Reimbursement of Expenses [Includes Reimbursement of Expenses pertaining toChennai Petroleum Corporation Limited **₹ 43.96 crore** (2017: ₹ 0.05 crore)]	**43.96**	0.07
7	Investments made/ (sold) during the year [Includes Investment made in IOCL Singapore Pte. Limited **₹ 117.47 crore** (2017: ₹ 4,738.24 crore)]	**117.54**	4,746.78
8	Purchase/(Sale)/ Accquisition of Fixed Assets including CWIP {Includes Purchase/Sale/ Acquisition of Fixed Assets incl. CWIP from Chennai Petroleum Corporation Limited **₹ 0.11 crore** (2017: ₹ 8.00 crore)}	**0.11**	16.52
9	Provisions made/ (write back) during the year {includes provision made/ (write back) in Indian Oil -CREDA Biofuels Limited **₹0.07 crore** (2017: ₹ 0.07 crore)}	**0.07**	4.79
10	Outstanding Receivables/ Loans & Advances { includes outstanding Receivable / Loan & Advance from Chennai Petroleum Corporation Limited **₹ 4,023.60 crore** (2017: ₹1,148.71 crore) and IndOil Global B.V. Netherlands **₹1,493.11 crore** (2017: ₹0.40 crore)}	**5,542.93**	1,160.20

11	Outstanding Payables {Includes Outstanding payable to Chennai petroleum Corporation Limited **₹1,323.22 crore** (2017: ₹893.85 crore} and IOCL Singapore Pte. Limited **₹427.45 crore** {2017: Nil}	**1,761.13**	905.51
12	Investment in Subsidiaries as on date	**12,896.23**	**12,836.69**

Note: 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 period, transactions w.e.f. date of constitution / acquisition is disclosed.

3) In case of Subsidiary Companies which have been closed/divested during the period, transactions up to the date of closure / disinvestment only are disclosed.

2. Relationship with Entities

A) Details of Joint Ventures (JV) / Associate Entities to IOCL & its subsidiary

1) IOT Infrastructure & Energy Services 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) IndianOil Panipat Power Consortium Limited
10) Petronet CI Limited
11) IndianOil LNG Private Limited
12) IndianOil SkyTanking Private Limited
13) Suntera Nigeria 205 Limited
14) Delhi Aviation Fuel Facility Private Limited
15) Indian Synthetic Rubber Private Limited
16) Indian Oil Ruchi Biofuels LLP
17) NPCIL- IndianOil Nuclear Energy Corporation Limited
18) GSPL India Transco Limited
19) GSPL India Gasnet Limited
20) IndianOil - Adani Gas Private Limited
21) Mumbai Aviation Fuel Farm Facility Private Limited
22) Kochi Salem Pipeline Private Limited
23) Hindustan Urvarak & Rasayan Limited
24) Ratnagiri Refinery & Petrochemicals Limited
25) Indian Additives Limited
26) National Aromatics & Petrochemicals Corporation Limited
27) INDOIL Netherlands B.V., Netherland
28) Taas India PTE Limited
29) Vankor India PTE Limited
30) Ceylon Petroleum Storage Terminals Limited
31) Falcon Oil & Gas B.V.

B) Details of Subsidiary to JV's of IOCL

1) IOT Engineering & Construction Services Ltd.
2) Stewarts and Lloyds of India Limited
3) IOT Infrastructures Private Limited
4) IOT Canada Limited
5) IOT Utkal Energy Services Limited
6) PT IOT EPC Indonesia
7) IOT Engineering Projects Limited
8) Indian Oiltanking Engineering & Construction Services LLC Oman
9) IOT Engineering & Construction Services Pte. Ltd. Singapore
10) JSC KazakhstanCaspishelf
11) IOT VITO MUHENDISLIK INSAAT VE TAAHUT A.S.
12) IndianOil Skytanking Delhi Pvt. Limited
13) IOT Anwesha FZE

C) The following transactions were carried out with the related parties in the ordinary course of business: **(₹ in Crore)**

		March-2018	March-2017
1	**Sales of Products / Services** [Includes sales to Indian Synthetic Rubber Private Limited ₹ **484.07 crore** (2017: ₹ 431.43 crore) and IndianOil Petronas Private Limited ₹ **273.56 crore** (2017: ₹ 132.75 crore)]	**815.37**	637.64
2	**Interest received** [Includes interest received from IndianOil LNG Private Limited ₹ **39.24 crore** (2017: ₹ 45.61 crore) and Indian Synthetic Rubber Private Limited ₹ **6.39 crore** (2017: ₹ 5.54 crore)]	**45.63**	51.15

3	**Other Operating Revenue/ Other Income** [Includes Other Operating Revenue / Other Income from Indian Synthetic Rubber Private Limited ₹ **75.30 crore** (2017: ₹ 42.73 crore), Petronet LNG Limited ₹ **51.46 crore** (2017: ₹ 27.26 crore) and IndianOil Petronas Private Limited ₹ **26.80 crore** (2017: ₹ 40.20 crore)]	**204.23**	205.90
4	**Purchase of Products** [Includes Purchase of Products from Petronet LNG Limited ₹ **5,820.32 crore** (2017: ₹ 7,446.25 crore)]	**5,950.04**	7,540.73
5	**Purchase of Chemicals/ Materials** [Includes Purchase of Chemicals/ Materials from Petronet LNG Limited ₹ **3,080.47 crore** (2017: Nil)]	**3,485.52**	371.36
6	**Interest paid** [Includes Interest paid to IOT Utkal Energy Services Limited ₹ **299.64 crore** (2017: ₹ 311.76 crore)]	**299.64**	311.76
7	**Handling/ Other Expenses** [Includes Handling/ Other Expenses to IndianOil Skytanking Private Limited ₹ **351.20 crore** (2017: ₹ 264.55 crore), IndianOil Petronas Private Limited ₹ **290.44 crore** (2017: ₹ 351.57 crore), IOT Infrastructure & Energy Services Limited ₹ **93.02 crore** (2017: ₹ 88.19 crore) and Mumbai Aviation Fuel Farm Facility Private Limited ₹ **89.91 crore** (2017: ₹ 79.65 crore)]	**872.20**	822.22
8	**Reimbursement of Expenses** [Includes Reimbursement of Expenses pertaining toIndianOil Petronas Private Limited ₹ **2.56 crore** (2017: ₹ 11.52 crore) and IOT Infrastructure & Energy Services Limited ₹ **0.99 crore** (2017: ₹ 0.05 crore)]	**4.09**	13.34
9	**Investments made/ (sold) during the year** [Includes Investment made/ (sold) in Hindustan Urvarak and Rasayan Limited ₹ **328.23 crore** (2017: ₹ 5.03 crore), Lubrizol India Private Limited ₹ **(56.96) crore** (2017: Nil), Ratnagiri Refinery & Petrochemicals Limited ₹ **50.00 crore** (2017: Nil) and GSPL India Transco Limited ₹ **45.76 crore** (2017: ₹ 10.40 crore)]	**440.43**	311.56
10	**Purchase/(Sale)/Acquisition of Fixed Assets including CWIP** [Includes Purchase/Acquisition of Fixed Assets incl. CWIP from IOT Utkal Energy Services Limited ₹ **6.04 crore** (2017: Nil) and IOT Infrastructure & Energy Services Limited ₹ **1.11 crore** (2017: ₹ 15.08 crore)]	**7.15**	15.78
11	**Provisions made/ (write back) during the year** [Includes Provision made/ (write back) in Petronet India Limited ₹ **Nil** (2017: ₹(18.00) crore]	**-**	(17.90)
12	**Outstanding Receivables/ Loans & Advances** [Includes Outstanding Receivables/ Loans & Advances from Petronet LNG Limited ₹ **307.61 crore** (2017: ₹ 332.30 crore), Suntera Nigeria 205 Limited ₹ **113.58 crore** (2017: ₹ 109.30 crore), Petronet VK Limited ₹ **82.40 crore** (2017: ₹ 21.66 crore) and Indian Synthetic Rubber Private Limited ₹ **63.86 crore** (2017: ₹ 110.66 crore)]	**610.83**	1,208.66
13	**Outstanding Payables** [Includes Outstanding payable to IOT Utkal Energy Services Limited ₹ **2,817.97 crore** (2017: ₹ 2,923.37 crore) and Petronet LNG Limited ₹ **464.43 crore** (2017: ₹ 295.66 crore)]	**3,362.18**	3,339.89
14	**Investments in JV/ Associates as on date**	**2,239.70**	1,836.28

Note:

1) Transactions in excess of 10% of the total related party transactions for each type have 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. Relatives of Key Managerial Personnel and nature of relation with whom transactions are undertaken during the year:

1) M/s. JOT Filling Station, Rureke, Punjab (Indian Oil Retail Outlet): Owned by brother of Key Managerial Personnel

2) Shri Harvinder Singh Kainth (Manager, Indian Oil Corporation Limited): Brother of Key Managerial Personnel

3) Mindtree Limited (Company): Managed by Key Managerial Personnel

Details relating to the parties referred to in Item No.3 above: **(₹ in Crore)**

		March-2018	March-2017
1	**Sales of Products** / Services		
	M/s. JOT Filling Station	**3.46**	4.71
	M/s. Mindtree Limited	**0.09**	-
2	**Remuneration**		
	Shri Harvinder Singh Kainth	**0.40**	0.31
3	**Outstanding Receivables**/ Loans & Advances		
	M/s JOT Filling Station	**-**	0.08
	Shri Harvinder Singh Kainth	**0.09**	0.03

4. 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.

5) Key Managerial Personnel

A. Whole Time Directors/ Company Secretary

1) Shri Sanjiv Singh
2) Shri B. Ashok (upto 31.05.2017)
3) Shri A.K. Sharma
4) Shri Anish Aggarwal
5) Shri B. S. Canth (upto 31.01.2018)
6) Shri G. K. Satish (w.e.f. 01.09.2016)
7) Shri S. S. V. Ramakumar (w.e.f. 01.02.2017)
8) Shri B V Rama Gopal (w.e.f. 12.02.2018)
9) Shri Ranjan Kumar Mohapatra (w.e.f. 19.02.2018)
10) Shri Verghese Cherian (upto 31.10.2017)
11) Shri Kamal Kumar Gwalani (w.e.f. 01.09.2017)
12) Shri Raju Ranganathan (upto 31.08.2017)

B. Independent Directors

1) Shri Sanjay Kapoor
2) Shri Parindu K. Bhagat
3) Shri Vinoo Mathur (w.e.f. 22.09.2017)
4) Shri Samirendra Chatterjee (w.e.f. 22.09.2017)
5) Shri Vivek Rae (w.e.f. 22.09.2017)
6) Shri Chitta Ranjan Biswal (w.e.f. 22.09.2017)
7) Dr. Jagdish Kishwan (w.e.f. 22.09.2017)
8) Shri Sankar Chakraborti (w.e.f. 22.09.2017)
9) Dr. B. Mahadevan (w.e.f. 22.09.2017 and upto 19.03.2018)
10) Shri Dharmendra S. Shekhawat (w.e.f. 22.09.2017)
11) Shri Subroto Bagchi (upto 29.06.2017)

C. Government Nominee Directors

1) Shri Ashutosh Jindal
2) Smt. Urvashi Sadhwani (w.e.f. 27.10.2017)
3) Shri A. P. Sawhney (Upto 22.06.2017)

D) Details relating to the parties referred to in item No. 5A & 5B above:

March -2018 **(₹ 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 Sanjiv Singh	0.57	0.07	0.27	0.91	-	0.02
2) Shri B. Ashok	0.30	0.11	0.30	0.71	-	-
3) Shri A.K. Sharma	0.64	0.07	0.16	0.87	-	0.07
4) Shri Anish Aggarwal	0.72	0.17	0.59	1.48	-	-
5) Shri B. S. Canth	0.53	0.15	0.49	1.17	-	-
6) Shri G. K. Satish	0.53	0.07	0.12	0.72	-	0.01
7) Shri S. S. V. Ramakumar	0.53	0.07	0.05	0.65	-	0.03
8) Shri B V Rama Gopal	0.09	0.01	-	0.10	-	0.01
9) Shri Ranjan Kumar Mohapatra	0.08	0.01	-	0.09	-	0.23
10) Shri Verghese Cherian	0.41	0.13	0.47	1.01	-	-
11) Shri Kamal Kumar Gwalani	0.34	0.04	0.18	0.56	-	0.22
12) Shri Raju Ranganathan	0.21	0.12	0.28	0.61	-	-
B. Independent Directors						
1) Shri Sanjay Kapoor	-	-	-	-	0.16	-
2) Shri Parindu K. Bhagat	-	-	-	-	0.15	-
3) Shri Vinoo Mathur	-	-	-	-	0.05	-
4) Shri Samirendra Chatterjee	-	-	-	-	0.04	-
5) Shri Vivek Rae	-	-	-	-	0.04	-
6) Shri Chitta Ranjan Biswal	-	-	-	-	0.04	-
7) Dr.Jagdish Kishwan	-	-	-	-	0.05	-
8) Shri Sankar Chakraborti	-	-	-	-	0.05	-
9) Dr. B. Mahadevan	-	-	-	-	0.02	-
10) Shri Dharmendra S. Shekhawat	-	-	-	-	0.05	-
11) Shri Subroto Bagchi	-	-	-	-	0.05	-
TOTAL	**4.95**	**1.02**	**2.91**	**8.88**	**0.70**	**0.59**

March-2017 (₹ 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 Sanjiv Singh	0.48	0.05	0.01	0.54	-	0.03
2) Shri B. Ashok	0.60	0.05	0.26	0.91	-	-
3) Shri A.K. Sharma	0.53	0.05	0.01	0.59	-	0.09
4) Shri Anish Aggarwal	0.58	0.06	0.06	0.70	-	0.05
5) Shri B. S. Canth	0.46	0.05	0.02	0.53	-	0.01
6) Shri G. K. Satish	0.26	0.03	0.08	0.37	-	0.03
7) Shri S. S. V. Ramakumar	0.09	0.01	-	0.10	-	0.07
10) Shri Verghese Cherian	0.55	0.05	0.08	0.68	-	0.01
12) Shri Raju Ranganathan	0.45	0.05	0.13	0.63	-	-
B. Independent Directors						
1) Shri Sanjay Kapoor	-	-	-	-	0.14	-
2) Shri Parindu K. Bhagat	-	-	-	-	0.12	-
3) Shri Subroto Bagchi	-	-	-	-	0.14	-
TOTAL	**4.00**	**0.40**	**0.65**	**5.05**	**0.40**	**0.29**

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) 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.

3) Refer Note 5 for Present value of Outstanding Loans/ Advance Receivables from Directors

6) Trusts

Transactions with Post Employment Benefit Plans managed through separate trust

(₹ in Crore)

	Name of the Trust	Post Employment Benefit Plan	March-2018 Contribution by employer	March-2018 Outstanding Receivable/ (Payable)	March-2017 Contribution by employer	March-2017 Outstanding Receivable/ (Payable)
1	IOCL (Refinery Division) Employees Provident Fund	Provident Fund	**181.28**	**(19.79)**	154.74	(6.38)
2	Indian Oil Corporation Limited (Assam Oil Division) Employees Provident Fund	Provident Fund	**20.31**	**(7.21)**	15.70	(9.01)
3	Provident Fund for the Employees of Indian Oil Corporation Limited (Marketing Division)	Provident Fund	**199.44**	**(5.81)**	181.82	(2.57)
4	IOCL Employees Superannuation Benefit Fund	Pension Scheme	**592.22**	**143.97**	354.13	392.15
5	IOCL Employees Post Retirement Medical Benefit Fund	Post Retirement Medical Scheme	**772.23**	**80.29**	1,189.23	(619.62)
6	IOCL Employees Group Gratuity Trust	Gratuity	**-**	**(820.06)**	-	399.38
7	Indian Oil Corporation Limited (Assam Oil Division) Staff Pension Fund	Pension Scheme	**-**	**0.01**	-	0.02

NOTE - 38: SEGMENT INFORMATION

Primary Segment Reporting as per Ind-AS 108 for the year ended March 31, 2018 is as under:

(₹ in Crore)

	March 2018					March 2017				
	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total
Revenue										
External Revenue	481,168.43	18,033.84	7,225.32	-	**506,427.59**	419,510.42	19,802.01	6,129.47	-	445,441.90
Inter-segment Revenue	8,413.76	25.32	53.94	(8,493.02)	**0.00**	7,328.11	24.94	4,902.22	(12,255.27)	0.00
Total Revenue	**489,582.19**	**18,059.16**	**7,279.26**	**(8,493.02)**	**506,427.59**	**426,838.53**	**19,826.95**	**11,031.69**	**(12,255.27)**	**445,441.90**
Result										
Segment Results excluding Exchange Gain/(Loss)	27,290.46	5,255.84	401.22	-	**32,947.52**	19,411.80	6,826.78	(39.48)	-	26,199.10
Segmental Exchange Gain/(Loss)	276.79	(29.62)	6.60	-	**253.77**	565.07	(4.54)	7.14	-	567.67
Segment Results	**27,567.25**	**5,226.22**	**407.82**	-	**33,201.29**	**19,976.87**	**6,822.24**	**(32.34)**	-	**26,766.77**
Less: Unallocable Expenditure										
- Finance Cost					**3,448.44**					3,445.43
- Loss on sale and disposal of Assets					**157.22**					126.88
- Loss on Derivatives					-					146.54
- Fair value Loss on Financial instruments classified as FVTPL					**81.07**					-
- Amortisation of FC Monetary Item Translation					**111.13**					359.63
Add: Unallocable Income										
- Interest/Dividend Income					**2,878.65**					2,866.30
- Profit on Sale of Investments (Net)					**108.09**					43.61
- Provision for diminution in Investments written back (Net)					**18.38**					13.11
- Exchange Gain - (Net)					**50.30**					540.26
- Gain on Derivatives					**46.40**					-
- Fair value gain on Financial instruments classified as FVTPL					-					114.30
- Other non operating income					**59.03**					55.37
Profit Before Tax					**32,564.28**					**26,321.24**
Less: Income Tax (including deferred tax)					**11,218.16**					**7,214.84**
Profit After Tax					**21,346.12**					**19,106.40**

1. The Company is engaged in the following business segments:
   a) Sale of Petroleum Products
   b) Sale of Petrochemicals
   c) Other Businesses, which comprises Sale of Gas, Explosives & Cryogenics, Wind Mill & Solar Power Generation and Oil & Gas Exploration Activities.

Segments have been identified and reported taking into account, the nature of products and services and differing risks and returns

2. Segment Revenue comprises of the following:
   a) Turnover (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.

Other Information

(₹ in Crore)

	March 2018					March 2017				
	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total
Segment Assets	2,10,379.74	14,665.15	2,944.62		**227,989.51**	**190,833.32**	**14,558.07**	**2,766.89**		**208,158.28**
Corporate Assets										
Investments (Current and Non Current)					**47,488.26**					47,304.60
Advances For Investments					**1,494.66**					1.00
Advance Tax					**1,293.37**					5.47
Interest Accrued On Investments/ Bank Deposits					**187.64**					196.58
Loans To JV/ Subsidiaries Included In Loans and Receivables					**198.36**					690.98
Deposits For Leave Encashment Fund					**2,088.11**					2,856.36
Total Assets					**280,739.91**					**259,213.27**
Segment Liabilities	98,598.87	557.05	1,142.09		**100,298.01**	95,377.28	440.91	1,651.63		**97,469.82**
Corporate Liabilities										
Provision For Taxation										56.97
Borrowings (Short Term and Long Term)					**55,525.16**					50,384.80
Current Maturities Of Long-Term Debt					**2,504.75**					4,434.70
Deferred Tax Liability					**12,019.57**					6,759.23
Derivative Liabiliies					**221.40**					379.03
Total Liabilities					**1,70,568.89**					**159,484.55**
Capital Employed										
Segment Wise	1,11,780.87	14,108.10	1,802.53		**127,691.50**	95,456.04	14,117.16	1,115.26		110,688.46
Corporate					**(17,520.48)**					(10,959.74)
Total Capital Employed					**110,171.02**					**99,728.72**
Capital Expenditure	15,253.59	1,257.75	77.07	-	**16,588.41**	11,333.97	391.61	658.24	-	12,383.82
Depreciation and Amortization	6,154.43	851.02	61.56	-	**7,067.01**	5,429.81	747.08	46.08	-	6,222.97

Geographical Information

(₹ in Crore)

	Revenue from external Customers		Non Current assets	
	March-18	March-17	March-18	March-17
India	**481,941.19**	430,776.37	**131,369.68**	121,912.20
Outside India	**24,486,40**	14,665.53	**139.42**	139.38
Total	**506,427.59**	**445,441.90**	**131,509.10**	**122,051.58**

Revenue from major products and services

(₹ in Crore)

	2017-18	2016-17
Motor Spirit (MS)	**98,114.75**	86,686.32
High Speed Diesel (HSD)	**253,447.23**	224,388.22
Superior Kerosene Oil (SKO)	**11,166.51**	10,724.95
Liquified Petroleum Gas (LPG)	**53,101.38**	43,203.35
Aviation Turbine Fuel (ATF)	**22,648.05**	17,811.80
Others	**67,949.67**	62,627.26
Total External Revenue	**506,427.59**	**445,441.90**

NOTE -39: FAIR VALUES

Set out below, is a comparison by class of the carrying amounts 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 31-March-18	As at 31-March-17	As at 31-March-18	As at 31-March-17	
Financial assets					
A. FVOCI financial instruments:					
Quoted equity shares	**20,493.36**	20,987.39	**20,493.36**	20,987.39	Level 1
Unquoted equity instrument	**726.87**	271.32	**726.87**	271.32	Level 3
Quoted Government securities	**11,132.10**	11,372.92	**11,132.10**	11,372.92	Level 1
B. FVPL financial instruments:					
Non Convertible Redeemable Preference shares	**1,082.07**	1,140.00	**1,082.07**	1,140.00	Level 3
Compulsorily Convertible Debentures	**329.21**	366.21	**329.21**	366.21	Level 3
Loan to Related parties - Suntera	**120.56**	102.46	**120.56**	102.46	Level 3
Derivative instruments at fair value through profit or loss	**-**	2.99	**-**	2.99	Level 2
C. Amortised Cost:					
Loans to employees	**1,159.11**	1,015.48	**1,156.86**	1,067.13	Level 2
PMUY Loan	**754.75**	-	**764.91**	-	Level 2
Financial liabilities					
A. Borrowings:					
Amortised Cost:					
Non-Convertible Redeemable Bonds	**-**	1,133.85	**-**	1,184.33	Level 2
Term Loans from Oil Industry Development Board (OIDB)	**884.20**	1,601.98	**894.00**	1,612.05	Level 2
Finance lease obligation	**3,621.48**	3,753.07	**4,281.39**	4,195.95	Level 2
Foreign Currency Bonds - US Dollars	**6,578.88**	6,543.38	**6,994.10**	7,221.43	Level 1
Foreign Currency Bonds - Singapore Dollars	**2,040.81**	1,904.02	**2,008.20**	1,912.72	Level 2
Senior Notes (Bank of America)	**-**	1,310.64	**-**	1,343.40	Level 2
Loan from Odisha Government	**478.86**	-	**469.46**	-	Level 2
B. Other financial liabilities:					
Fair value through profit and loss (FVPL):					
Derivative instruments at fair value through profit or loss	**221.40**	379.03	**221.40**	379.03	Level 2

NOTE:

1. The management assessed that fair value of Trade Receivables, Cash and Cash Equivalents, Bank Balances, Deposit for Leave Encashment Fund, Recoverable from Employee Benefits Trusts, Other Non-derivative Current Financial Assets, Finance lease Receivable, Security Deposit paid and received, Short-term Borrowing (including Current Maturities), Trade Payables, Floating Rate Borrowings/ Receivables, Other Non-derivative Current Financial Liabilities and Liabilities towards financial guarantees approximate their carrying amounts.
2. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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 for the specific bond collected from Bank

B. Level 2 Hierarchy:

(i) Derivative instruments at fair value through profit or loss: Replacement cost quoted by institutions for similar instruments by employing use of market observable inputs.

(ii) **Loans to employees, PMUY Loan:** Discounting future cash flows using rates currently available for items on similar terms, credit risk and remaining maturities.

(iii) **Finance lease obligation:** For obligation arrived based on IRR, implicit rate applicable on the reporting date and for obligation arrived based on incremental borrowing rate, applicable rate for remaining maturity.

(iv) **Non-Convertible Redeemable Bonds, Foreign Currency Bonds - Singapore Dollars and Senior Notes (Bank of America), Loan from Odisha Government:** 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 a DCF model. 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) **Non Convertible Redeemable Preference shares, Compulsorily Convertible Debentures and Loan to Related parties - Suntera:** Fair value of Preference shares, Debentures 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.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2018 and 31 March 2017 are shown below:

	Description	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
I	Haldia Petrochemical Limited (included under FVTOCI assets in unquoted equity instruments)	Market Approach with equal weights to Revenue and EBITDA Multiple	Rev enue Multiple	**31.03.18: 0.85x - 0.89x (0.87x)** 31.03.17: 0.59x - 0.63x (0.61x)	0.01x increase/ (decrease) in Revenue Multiple would result in increase/ (decrease) in fair value by: **31.03.18: ₹5.5 crore/ ₹(5.4) crore** 31.03.17: ₹4.6 crore/ ₹(4.6) crore
			EBITDA multiple	**31.03.18: 6.5x - 6.9x (6.7x)** 31.03.17: 4.8x - 5.2x (5.0x)	0.1x increase/ (decrease) in EBITDA Multiple would result in increase/ (decrease) in fair value by: **31.03.18: ₹6.8 crore/ ₹(6.7) crore** 31.03.17: ₹7.3 crore/ ₹(7.4) crore
II	Non Convertible Redeemable Preference shares	DCF method	Discount Rate (Post tax)	**31.03.18: 5.60% - 6.60% (6.14%)** 31.03.17: 5.1% - 6.10% (5.55%)	0.5% increase/ (decrease) in discount rate would result in (decrease)/ increase in fair value by: **31.03.18: ₹(15) crore/ ₹16 crore** 31.03.17: ₹(34) crore/ ₹35 crore
III	Compulsorily Convertible Debentures	Present Value Analysis	Discount Rate	**31.03.18: 7.3% - 9.3% (8.3%)** 31.03.17: 7.3% - 9.3% (8.3%)	0.5% increase/ (decrease) in Discount Rate would result in (decrease)/ increase in fair value by: **31.03.18: ₹(1.4) crore/ ₹1.4 crore** 31.03.17: ₹(2.8) crore/ ₹2.8 crore
IV	Loan to Related party - Suntera	DCF method	Discount Rate	**31.03.18: 12% - 16% (14%)** 31.03.17: 13% - 17% (15%)	1% increase/ (decrease) in Discount rate would result in (decrease)/ increase in fair value by: **31.03.18: ₹(5.2) crore/ ₹5.2 crore** 31.03.17: ₹(5.2) crore/ ₹5.2 crore

Unquoted equity instruments carried at FVOCI includes following investments for which sensitivity disclosure are not disclosed:	Carrying value (₹ in Crore)	
	31-March-18	**31-March-17**
Woodlands Multispeciality Hospital Limited	**0.10**	0.10
International Cooperative Petroleum Association, New York	**0.02**	0.02

Reconciliation of fair value measurement of Assets and Liabilities under Level 3 hierarchy of Fair Value measurement:

Description	FVTOCI Assets		FVTOCI Assets	
	Unquoted Equity Shares	Non Convertible Redeemable Preference shares	Compulsorily Convertible Debentures	Loan to Suntera
Balance as at 31 March 2017	**271.32**	**1,140.00**	**366.21**	**102.46**
Addition	-	-	-	3.69
Deletion	-	-	-	-
Fair Value Changes	455.55	(57.93)	(37.00)	13.86
Exchange Difference	-	-	-	0.55
Balance as at 31 March 2018	**726.87**	**1,082.07**	**329.21**	**120.56**

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 finance 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 Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial 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 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 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 31 March 2018 and 31 March 2017.

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 also exposed to interest rate risk from the possibiltiy that changes in interest 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. As at 31 March 2018, approximately 49% of the Company's borrowings are at a fixed rate of interest (31 March 2017: 37%).

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-2018		March-2017	
INR	**+50**	**(15.00)**	+50	(27.64)
US Dollar	**+50**	**(133.24)**	+50	(143.98)
INR	**-50**	**15.00**	-50	27.64
US Dollar	**-50**	**133.24**	-50	143.98

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 **₹4,210.75 crore** as at 31 March 2018 (31 March 2017: ₹1,702.22 crore) 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-2018		March-2017	
Forward Contract - US Dollar	**+5%**	**210.54**	+5%	85.11
	-5%	**(210.54)**	-5%	(85.11)
Other Exposures - US Dollar	**+5%**	**(2,699.12)**	+5%	(2761.69)
	-5%	**2,699.12**	-5%	2,761.69
Other Exposures - SGD	**+5%**	**(102.04)**	+5%	(95.20)
	-5%	**102.04**	-5%	95.20
Cross Currency - USD vs. SGD	**+5%**	**(106.11)**	+5%	(105.56)
	-5%	**106.11**	-5%	105.56

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 inventoty valuation fluctuation and crude oil imports. 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 the exchanges to mitigate the risk within the approved limits.

Category-wise quantitative data about commodity derivative transactions that are oustanding is given below:

Quantity (in lakh bbls)

Particulars	March-2018	March-2017
Margin Hedging	**94.25**	3.00

The sensitivity to a reasonably possible change in price of crude oil/ refinery margin on the outstanding commodity hedging position as on March-2018:

Particulars	Increase/ Decrease in %	Effect on profit before tax (₹ in Crore)	Increase/ Decrease in %	Effect on profit before tax (₹ in Crore)
	March-2018		March-2017	
Margin Hedging	**+10%**	**(96.20)**	+10%	(2.28)
Margin Hedging	**-10%**	**96.20**	-10%	2.28

4. Equity price risk

The Company's investment in listed and non-listed equity securities, other than its investment 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 **₹726.87 crore**. Sensitivity analysis of these investments have been provided in Note-39.

The exposure to listed equity securities valued at fair value was **₹20,493.36 crore**. An increase / decrease of 5% on the NSE market index could have an impact of approximately ₹1,024.67 crore on the OCI and equity attributable to the Company. These changes would not have an effect on profit or loss.

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 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)

	0 - 90 days	91 days to 6 months	Above 6 months to 1 Year	Above 1 Year to 3 Years	> 3 years	Total
Year ended 31 March 2018						
Gross Carrying amount	8,244.82	1,018.67	630.27	86.40	220.78	10,200.94
Expected loss rate	0.10%	0.10%	0.10%	0.10%	0.10%	
Expected credit losses	(8.24)	(1.02)	(0.63)	(0.09)	(0.16)	(10.14)
Specific Provision	-	-	-	-	(74.28)	(74.28)
Carrying amount	**8,236.58**	**1,017.65**	**629.64**	**86.31**	**146.34**	**10,116.52**
Year ended 31 March 2017						
Gross Carrying amount	5,010.71	2,942.51	370.67	84.51	188.77	8,597.17
Expected loss rate	0.10%	0.10%	0.10%	0.10%	0.10%	
Expected credit losses	(5.01)	(2.94)	(0.37)	(0.08)	(0.12)	(8.52)
Specific Provision	-	-	-	-	(86.28)	(86.28)
Carrying amount	**5,005.70**	**2,939.57**	**370.30**	**84.43**	**102.37**	**8,502.37**

Financial instruments and cash deposits

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

The Company's maximum exposure to credit risk for the components of the Balance Sheet at 31 March 2018 and 31 March 2017 is the carrying amounts as provided in Note 4, 5, 6, 11 & 12.

C. Liquidity risk

The Company monitors its risk of a 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 finance 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 31 March 2018						
Borrowings	6,452.42	17,307.91	15,551.98	12,401.37	6,316.23	58,029.91
Trade payables	2,287.36	29,778.12	1,040.57	-	-	33,106.05
Other financial liabilities	25,368.55	9,671.10	3,003.99	523.42	47.54	38,614.60
Financial guarantee contracts*	5,325.19	-	-	-	-	5,325.19
Derivatives	-	221.40	-	-	-	221.40
	39,433.52	**56,978.53**	**19,596.54**	**12,924.79**	**6,363.77**	**135,297.15**
Year ended 31 March 2017						
Borrowings	2,682.75	13,995.62	17,829.09	13,403.24	6,908.80	54,819.50
Trade payables	2,236.20	27,879.22	18.87	-	-	30,134.29
Other financial liabilities	22,214.41	7,796.13	1,475.60	461.92	-	31,948.06
Financial guarantee contracts*	4,645.27	-	-	-	-	4,645.27
Derivatives	-	362.98	16.05	-	-	379.03
	31,778.63	**50,033.95**	**19,339.61**	**13,865.16**	**6,908.80**	**121,926.15**

* Based on the maximum amount that can be called for under the financial guarantee contract. Includes other commitments disclosed in C.2.3.

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

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. 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)

	March-2018	March-2017
Borrowings	**58,029.91**	54,819.50
Equity Share Capital	**9,478.69**	4,739.34
Reserves and Surplus	**100,692.33**	94,989.38
Equity	**110,171.02**	**99,728.72**
Debt Equity Ratio	**0.53 : 1**	**0.55 : 1**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

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 is given as under:

(₹ in Crore)

			Amount as on		Maximum Amount outstanding during the year ended	
			March-2018	March-2017	March-2018	March-2017
I.		**Loans and Advances in the nature of loans:**				
	A)	**To Subsidiary Companies**				
	B)	**To Associates /Joint Venture**				
	(i)	Petronet V. K. Ltd. (No repayment schedule available)	**77.86**	19.91	**77.86**	19.91
	(ii)	Suntera Nigeria 205 Ltd. (For Exploration activities) (Refer Note-1)	**113.58**	109.30	**113.77**	109.30
	(iii)	IndianOil LNG Private Limited (For LNG terminal construction)	**-**	495.49	**495.49**	495.49
	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**	**-**	-	**-**	-

Note

1 As per the applicable provisions of Accounting Standards, the loan given to Suntera Nigeria 205 Ltd. is measured at fair value through Statement of Profit and Loss in the financial statements and fair value of the loan is ₹ **120.56 crore** as on 31.03.2018 (2017: ₹ 102.46 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-2018	March-2017
Amount due and Payable at the year end		
- Principal *	**25.27**	46.72
- Interest on above Principal	**-**	-
Payments made during the year after the due date		
- Principal	**0.41**	-
- Interest	**-**	-
Interest due and payable for principals already paid	**0.02**	-
Total Interest accrued and remained unpaid at year end	**0.02**	-

* ₹1.31 Crore coming under Note 17: Other Financial Liabilities.(2017: ₹ 21.86 Crore)

Note – 44: RESEARCH AND DEVELOPMENT COSTS

Research and Development Expenses of **₹ 85.77 crore** (2017: ₹109.57 crore) have been capitalized and **₹ 230.86 Crore** (2017 : ₹ 217.53 crore) have been accounted for in the Statment of Profit and Loss during the year. Detailed break up of total expenditure is as under:

A. CAPITAL EXPENSES (FIXED ASSETS)

S.No.	Asset Block	Gross Block as at 1 April- 2017	Additions during the year	Transferred from CWIP	Transfer/Deduction/ Disposal during the year
1	2	3	4	5	6
	(a) Fixed Assets				
1	Land - Free Hold	369.41	23.73	-	-
2	Building, Roads etc	93.34	1.31	6.50	0.09
3	Plant & Equipment	483.32	31.85	16.28	0.70
4	Office Equipment	14.55	2.88	0.99	2.26
5	Transport Equipment	0.64	0.45	-	0.01
6	Furniture & Fixtures	10.11	0.70	0.70	0.10
7	Drainage & Sewage	1.42	-	-	-
	Sub Total	**972.79**	**60.92**	**24.47**	**3.16**
	(b) Intangible Assets				
1	Right of way	-	-	-	-
2	Licenses / Technical Know-how	0.11	-	-	-
3	Computer Software	1.55	0.28	-	-
		1.66	0.28	-	-
	Total	**974.45**	**61.20**	**24.47**	**3.16**

S.No.	Asset Block	Gross Block as at 1 April- 2016	Additions during the year	Transferred from CWIP	Transfer/Deduction/ Disposal during the year
1	2	3	4	5	6
	(a) Fixed Assets				
1	Land - Free Hold	319.23	50.18	-	-
2	Building, Roads etc	89.14	0.74	3.62	0.16
3	Plant & Equipment	430.94	31.59	21.64	0.85
4	Office Equipment	11.72	2.55	0.68	0.40
5	Transport Equipment	0.30	0.34	-	-
6	Furniture & Fixtures	9.49	0.75	-	0.13
7	Drainage & Sewage	1.42	-	-	-
	Sub Total	**862.24**	**86.15**	**25.94**	**1.54**
	(b) Intangible Assets				
1	**Right of way**	-	-	-	-
2	Licenses / Technical Know-how	0.11	-	-	-
3	Computer Software	1.49	0.06	-	-
	Sub Total	1.60	0.06	-	-
	Total	**863.84**	**86.21**	**25.94**	**1.54**

(₹in Crore)

Gross Block as at 31 March-2018	Work-in-Progress as at 1 April-2017	Additions during the year	Transferred to Fixed Assets (Capitalized)	Work-in-Progress as at 31 March-2018	Total Capital Expenditure
7 = (3+4+5-6)	8	9	10	11 = (8+9-10)	12=(4+5+11-8)
393.14	-	-	-	-	23.73
101.06	11.41	1.37	6.50	6.28	2.68
530.75	16.04	20.70	16.28	20.46	52.55
16.16	-	0.99	0.99	-	3.87
1.08	-	-	-	-	0.45
11.41	-	1.51	0.70	0.81	2.21
1.42	-	-	-	-	-
1,055.02	**27.45**	**24.57**	**24.47**	**27.55**	**85.49**
-	-	-	-	-	-
0.11	-	-	-	-	-
1.83	-	-	-	-	0.28
1.94	-	-	-	-	0.28
1,056.96	**27.45**	**24.57**	**24.47**	**27.55**	**85.77**

Gross Block as at 31 March-2017	Work-in-Progress as at 1 April-2016	Additions during the year	Transferred to Fixed Assets (Capitalized)	Work-in-Progress as at 31 March-2017	Total Capital Expenditure
7 = (3+4+5-6)	8	9	10	11 = (8+9-10)	12=(4+5+11-8)
369.41	-	-	-	-	50.18
93.34	7.52	7.51	3.62	11.41	8.25
483.32	22.51	15.17	21.64	16.04	46.76
14.55	-	0.68	0.68	-	3.23
0.64	-	-	-	-	0.34
10.11	-	-	-	-	0.75
1.42	-	-	-	-	-
972.79	**30.03**	**23.36**	**25.94**	**27.45**	**109.51**
-	-	-	-	-	-
0.11	-	-	-	-	-
1.55	-	-	-	-	0.06
1.66	-	-	-	-	0.06
974.45	**30.03**	**23.36**	**25.94**	**27.45**	**109.57**

B. RECURRING EXPENSES

(₹ in Crore)

Particualrs	March-2018	March-2017
1 Consumption of Stores, Spares & Consumables	**10.38**	10.02
2 Repairs & Maintenance		
(a) Plant & Machinery	**9.16**	12.21
(b) Building	**7.69**	7.19
(c) Others	**1.02**	0.75
3 Freight, Transportation Charges & demurrage	**0.08**	0.15
4 Payment to and Provisions for employees	**141.76**	132.33
5 Office Administration, Selling and Other Expenses	**60.75**	54.86
6 Interest	**0.02**	0.02
Total	**230.86**	**217.53**

C. TOTAL RESEARCH EXPENSES

(₹ in Crore)

Particualrs	March-2018	March-2017
Capital Expenditure	**85.77**	109.57
Recurring Expenditure	**230.86**	217.53
Total	**316.63**	**327.10**

NOTE–45: DISCLOSURE RELATING TO CERTIFIED EMISSION REDUCTIONS

The disclosure in respect of self-generated Certified Emission Reductions (CERs) is as under :

Particulars	March-2018	March-2017
No. of CERs held as inventory	**0**	2693
No. of CERs under certification	**0**	74045
Depreciation and Operating and Maintenance costs of Emission Reduction Equipments expensed during the year (₹ in crore)	**-**	5.86
Considering realisablity of CERs, the same has not been carried in inventory.		

The disclosure in respect of self-generated Renewable Energy Certificates (REC) is as under :

Particulars	March-2018	March-2017
No. of RECs in hand	**76032**	0
No. of RECs under certification	**38907**	0

Total number of RECs in hand as well as under certification have been utilised/adjusted against Renewable Purchase Obligation (RPO).

NOTE–46: DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

The disclosure in respect of CSR expenditure is as under:

(₹ in Crore)

Particulars	March-2018	March-2017
(a) Gross amount required to be spent by the company during the year.		
Annual CSR Allocation	**327.94**	212.67
Carry forward from previous year	**3.11**	4.43
Gross amount required to be spent	**331.05**	217.10

(b) Amount spent during the year on: **(₹ in Crore)**

Particulars	March-2018			March-2017		
	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	**18.73**	**0.61**	**19.34**	13.58	1.14	14.72
Contribution towards PMUY	**76.43**	**-**	**76.43**	41.60	-	41.60
Flagship Projects-CSR	**13.28**	**1.60**	**14.88**	14.43	-	14.43
Educational Scholarship	**4.01**	**-**	**4.01**	3.89	-	3.89
Swachh Bharat	**4.67**	**0.47**	**5.14**	1.66	0.23	1.89
Education/employment vocational skills	**59.22**	**2.44**	**61.66**	85.69	1.03	86.72
Administration Expenses, training etc.	**14.72**	**-**	**14.72**	10.16	0.02	10.18
Drinking Water	**8.25**	**0.56**	**8.81**	4.64	1.95	6.59
Promotion of National Heritage, Art and Culture	**68.51**	**37.11**	**105.62**	21.93	-	21.93
Other expenses	**19.31**	**1.13**	**20.44**	9.29	2.75	12.04
Total Expenses (ii)	**287.13**	**43.92**	**331.05**	206.87	7.12	213.99
Grand Total (i) and (ii)	**287.13**	**43.92**	**331.05**	**206.87**	**7.12**	**213.99**

**Provisions made for liabities incurred

NOTE–47: 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 ₹ **63.65 crore** (2017: ₹ 62.01 crore) and subsidies on sales of SKO and LPG to customers in Bhutan amounting to ₹ **17.46 crore** (2017: ₹ 18.01 crore) have been reckoned as per the schemes notified by Governments.

2 Compensation against under recoveries

The company has accounted for Budgetary Support of ₹ **3196.34 crore** (2017: ₹ 5149.21 crore) towards under-recovery on sale of SKO (PDS) in the Statement of Profit and Loss as Revenue Grants.

3 Grant in respect of revenue expenditure for research projects

During the year, the company has received revenue grant of ₹ **1.53 crore** (2017: ₹ 0.73 crore) in respect of meeting out revenue expenditure such as Manpower, Consumables, Travel & Contingency etc for research projects undertaken with various agencies.

4 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 ₹ **2.51 crore** during the current year (2017: ₹ 3.19 crore).

5 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 on 31.03.2018 is ₹ **241.42 crore** (2017: ₹ 435.72 crore) . During the year, the company has recognised ₹ **232.16 crore** (2017: ₹ 4.04 crore) in the statement of profit and loss as amortisation of revenue grant. The company expects to meet the export obligations and therefore equivalent deferred grant has not been treated as liability.

6 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 ₹ **3050.90 crore** (2017: ₹ 3072.91 crore).

7 Entry Tax exemption

The company has recognised grant on net basis in respect of entry tax exemption of crude/ Naptha purchased in Panipat Refinery, Panipat Naptha Cracker Complex and Paradip Refinery in cost of materials consumed/ Purchase of Stock-in Trade. Entry tax exemption on crude/Naptha procured in the state of Haryana and Odisha has been received amounting to ₹ **162.32 crore** (2017: ₹ 505.84 crore).

B. Capital Grants

1 OIDB Government Grant for strengthening distribution of SKO (PDS)

The company has received government grant from OIDB (Oil Industry Directorate 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 on 31.03.2018 is ₹ **1.56 crore** (2017: ₹ 1.84 crore). During the year, the company has recognised ₹ **0.27 crore** (2017: ₹ 0.28 crore) in statement of profit and loss as amortisation of capital grants.

2 DBTL Capital Grant

The company has received Government grant for roll out of DBTL scheme launched by MOPNG towards development, acquisition of software/licenses & data processing equipment for effective implementation of platform for dispesning of subsidy to customers purchasing LPG under DBTL scheme. The unamortized capital grant amount as on 31.03.2018 is **NIL** (2017: ₹ 0.47 crore). During the year, the company has recognised ₹ **0.47 crore** (2017: ₹ 1.32 crore) in the statement of profit and loss as amortisation of capital grants.

3 **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 on 31.03.2018 is ₹ **44.75 crore** (2017: ₹ 44.52 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 ₹ **5.2 crore** (2017: ₹ 4.78 crore) in the statement of profit and loss as amortisation of capital grants.

4 **Capital Grant in respect of Research projects**

The company has received capital grant from various agencies in respect of procurement/ seeting up of Capital assets for research projects undertaken. The unamortized capital grant amount as on 31.03.2018 is ₹ **15.33 crore** (2017: ₹ 15.73 crore). During the year, the company has recognised ₹ **2.82 crore** (2017: ₹ 3 crore) in the statement of profit and loss as amortisation of capital grants.

5 **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 on 31.03.2018 is ₹ **121.62 crore** (2017: ₹ 126.9 crore). During the year, the company has recognised ₹ **5.28 crore** (2017: ₹ 5.66 crore) in the statement of profit and loss as amortisation of capital grants.

6 **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 devloped IndaDeptG technology. The unamortized capital grant amount as on 31.03.2018 is ₹ **83.04 crore** (2017: ₹ 87.41 crore). During the year, the company has recognised ₹ **4.38 crore** (2017: ₹ 1.09 crore) in the statement of profit and loss as amortisation of capital grants.

7 **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 on 31.03.2018 is ₹ **6.4 crore** (2017: ₹ 6.67 crore). During the year, the company has recognised ₹ **0.27 crore** (2017: ₹ 0.26 crore) in the statement of profit and loss as amortisation of capital grants.

8 **Capital Grant in form of Interest Free Loan**

The company has received capital grant in the form of interest free loans from Odisha Government for a period of 15 years. The unamortized capital grant amount as on 31.03.2018 is ₹ **915.94 crore** (2017: NIL). During the year, the company has recognised ₹ **11.96 crore** (2017: NIL) in the statement of profit and loss account as amortisation of capital grants.

9 **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 on 31.03.2018 is ₹ **3.51 crore** (2017: ₹ 0 crore). During the year, the company has recognised ₹ **0.21 crore** (2017: NIL) in the statement of profit and loss as amortisation of capital grants.

NOTE–48: CONSTRUCTION CONTRACTS DISCLOSURES

(₹ in Crore)

Particulars	March-2018	March-2017
Construction Revenue and Cost		
Construction contract revenue included in "Other Operating Revenue" recognized based on percentage of completion method	**5.78**	13.35
Construction contract cost included in "Other Expenses"	**5.25**	11.35
Amount due from (to) customers under construction contracts		
- Amount due from customers under construction contracts	**0.00**	0.00
- Amount due to customers under construction contracts	**0.00**	0.00
Net	**0.00**	0.00
Contracts in progress at the end of the reporting period		
Construction costs incurred plus recognised profits (less recognised losses) to date	**14.86**	26.44
Less: progress billings	**14.86**	26.44
Net	**0.00**	0.00
Advances received from customers for contract work	**45.31**	23.40
Retentions held by customers for contract work	**0.00**	0.00

NOTE–49: OTHER DISCLOSURES

1 During the year, the company has settled its liability for Entry Tax in the state of Haryana including interest thereon under "The Haryana One Time Settlement Scheme for Recovery of Outstanding Dues, 2017" and consequently an amount of ₹ 2813.96 Crore, being provision no more required, has been written back and included in provision for contingencies written back in other operating revenues (Refer Note 23.1).

2 As per Memorandum of Understanding (MOU) dated 16.02.2004 with Odisha Government, fiscal incentive were granted for Paradip Refinery project including interest free loan equivalent to Sales Tax payable to the state of Odisha for a period of 11 years from the date of commercial production which was later withdrawn by Odisha Government on 22.02.2017 and the matter was in dispute. The dispute has since been resolved and a revised interest free loan agreement has been signed with Odisha government dated 25.09.2017 where in Odisha government shall provide an interest free loan of ₹ 700 Crores per year for 15 years in quarterly installments of ₹175 Crores starting from 01.04.2016 repayable after 15 years. The first installment of loan for the period April 16 – December 17 of ₹ 1225 Crores and for the period Jan 18 – March 18 of ₹ 175 Crores has been received on 15.01.2018 and 31.03.2018 respectively. This loan, being interest free, is fair valued and related government grant is accounted for in line with the accounting policy.

3 The revision of Employees Pay and Allowances was due w.e.f 01.01.2017 and the presidential directive were issued on 13.10.2017 for implementation of the same. While most of the dues In respect of executives have been settled and the same for workmen's is under finalisation where liabilities have been ascertained on similar lines. An amount of ₹1150 Crore has been carried as liability as on 31.03.2018 towards pending dues on this account.

4 Goods and Services Tax (GST) has been implemented w.e.f 01.07.2017 wherein some of the petroleum products are still outside its ambit. Accordingly, GST is being levied on some products as against Excise Duty applicable hitherto. Since, excise duty is included in revenue and GST is not included in revenue. Thus to ensure comparability on applicable products, sales excluding excise duty is ₹ 495613.83 Crore and ₹431374.60 Crore for the year ended 31 March 2018 and 31 March 2017 respectively.

5 Consequent upon Honourable Allahabad High Court order dated 4th May 2018 in the matter of UP Entry Tax, the commercial tax authorities of Uttar Pradesh have raised demand for payment of arrears of unpaid entry tax and interest thereon. Based on such demand notices the company has made an additional provision of ₹ 293.71 crores towards interest on entry tax and ₹ 0.37 crores towards entry tax, over and above provision of ₹ 20,619.78 crores made upto 31.03.2018 including interest of ₹ 5379.58 crores. Against the provision of entry tax and interest thereon the company has already made payment of ₹11,947.61 upto

31.03.2018. The company has paid additional principal amount of Entry tax of ₹ 3292.97 crores on 8th, 9th and 11th May 2018 and filled petition in the Honourable Allahabad High court, challenging the levy of interest. The company is evaluating other legal remedies available in the matter of up Entry Tax and shall take appropriate measure in due course.

6 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 1st May 2016. The initial cost of ₹ 1600/- towards connections charges would be borne by the Central Government for each card holder. OMCs would provide an option for EMI/Loans towards cost of burner and 1st refill to the PMUY consumers. In addition to the funding by the Central Government, few State Governments have also extended financial support towards cost of stove and/or 1st refill. The loan amount is recovered from the subsidy amount payable to the customers on each refill sale. The amount of subsidy per refill varies from market to market and month to month. The minimum subsidy per refill sale is ₹ 164 and maximum subsidy per refill sale is ₹ 414/- during the financial year 2017-18.

The amount of outstanding as on 31st March 2018 towards claim under PMUY claim from Central Government is ₹ **446.35 Crore** (₹ 229.87 Crore as on 31st March 2017) and loan from PMUY consumers is ₹ **1099.70 Crore** (₹ 751.04 Crore as on 31st March 2017) (net of recovery through subsidy). During the year, discounting of the loan has been done based on assumption of 4 refills in a year and deferment of recovery by one year and average subsidy of ₹ 180 per cylinder as loan recovery. Out of above loan a provision for doubtful amounting to ₹ **162.06 Crore** (Nil 31st March 2017) has also been created during the year in respect of beneficiaries who have not taken refill for last one year.

7 M/s Indian Oil CREDA Biofuels Ltd, a joint venture company formed with Chhattisgarh Renewable Energy Developement Agency (CREDA) for Jatropha Plantation, has been struck off from the Register of the Companies and dissolved during the year 2017-18. The entire investment of ₹ 18.46 Crore has been written off and netted under the head "Profit on sale of investments (Net) in other income. Further, provision recognised for dimunition in value of investment in past of ₹ 18.38 Crore is written back in other income under the head "Fair value gain on investement/ Provision written back (Net)" (Refer Note 24)

8 During the year company has sold 24% stake in equity investment of Lubrizol India Private Limited (a JV company) for a sale consideration of ₹ 214.27 crore (cost of ₹ 56.96 crore) and accordingly has recognised a profit of ₹ 157.31 crore in Other Income under Head "Profit on Sale of Investments (Net)". Consequent to this, IOCL stake in the JV company has came down to 26%.

9 During the year, a not for profit company, namely, Ujjwala Plus Foundation, has been incorporated under section 8 of Companies Act 2013. The company is limited by Guarantee of IOCL (₹ 0.10 Crore), BPCL (₹ 0.05 Crore) and HPCL (₹ 0.05 Crore) with no Share Capital and a joint venture agreement is executed between all three parties. The company is formed to administer the "Ujjavala plus" scheme of Government of India. Since no party has any rights in net assets of Ujjwala Plus Foundation, the Company has not considered this as a joint venture.

10 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 crore (Net Assets WDV of ₹ 61.55 Crore), consent of Niti Ayog has been received for the proposed formation of JV vide their letter dated 27 April 2018. As on 31 March 2018, the explosive business continued to be in operation.

11 Purchase of crude oil from Oil India Limited and and some other oilfields has been accounted for provisionally, pending finalization of agreements with respective parties. Adjustments, if any, will be made on finalization of agreements.

12 Transactions with other Oil Marketing Companies are jointly reconciled on an ongoing basis.

13 There are no significant subsequent events that would require adjustments or disclosures in the Financial Statements as on the Balance Sheet date.

14 Previous year's comparative figures have been regrouped wherever necessary. Figures in brackets indicate deductions.

For and on Behalf of Board of Directors

Sd/-	**Sd/-**	**Sd/-**
(Sanjiv Singh)	**(A. K. Sharma)**	**(Kamal Kumar Gwalani)**
Chairman	Director (Finance)	Company Secretary
DIN - 05280701	DIN - 06665266	ACS -13737

As per our attached Report of even date

For S.K. MEHTA & CO.	**For V SANKAR AIYAR & CO.**	**For CK PRUSTY & ASSOCIATES**	**For V. SINGHI & ASSOCIATES**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn. No. 000478N	Firm Regn. No. 109208W	Firm Regn. No. 323220E	Firm Regn. No. 311017E
Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(CA. ROHIT MEHTA)	**(CA. G SANKAR)**	**(CA. CHANDRAKANTA PRUSTY)**	**(CA. ANIRUDDHA SENGUPTA)**
Partner	Partner	Partner	Partner
M. No. 091382	M. No. 046050	M. No. 057318	M. No. 051371

Place : New Delhi
Date : 22nd May, 2018

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2018 ON PROVISION OF TOWNSHIP,EDUCATION, MEDICAL AND OTHER FACILITIES

(₹ in Crore)

PARTICULARS	March-2018	March-2017
INCOME :		
1. Recovery of House Rent	11.17	9.48
2. Recovery of Utilities-Power and Water	3.79	5.38
3. Recovery of Transport Charges	0.14	0.34
4. Other Recoveries	7.74	6.89
5. Excess of Expenditure over Income	598.66	577.08
TOTAL :	**621.49**	**599.17**
EXPENDITURE :		
1. Employee Benefit Expenses	140.11	129.76
2. Consumable Stores and Medicines	72.63	47.12
3. Repairs and Maintenance	156.64	179.99
4. Finance Cost	17.91	19.04
5. Depreciation & Amortization	45.67	52.92
6. Miscellaneous Expenses Taxes, License Fees, Insurance etc.	48.48	45.28
7. Utilities-Power, Water and Gas	99.92	89.15
8. Rent	0.23	0.13
9. Subsidies for Social & Cultural Activities	30.74	25.27
10. Bus Hire Charges	0.45	0.80
11. Club and Recreation	-	0.03
12. Others	8.71	9.68
TOTAL	**621.49**	**599.17**

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT (TOWNSHIP) FOR THE YEAR ENDED 31st MARCH 2018

(₹ in Crore)

PARTICULARS	Gross Block As at 01.04.2017	Additions during the year	Transfers from Capital work-in-progress	Disposals/ Deductions/ Transfers/ Reclassifications	Gross Block As at 31.3.2018	Depreciation & Amortization During the Year	Deprereciation & Amortization As at 31.03.2018	As at 31.3.2018	As at 31.3.2017
LAND FREEHOLD	41.16	67.30	-	(0.07)	108.39	-	-	108.39	41.16
LAND-LEASEHOLD	12.16	-	-	(0.20)	11.96	0.16	0.45	11.51	11.83
BUILDINGS, ROADS etc.	827.40	1.48	97.32	(4.12)	922.08	36.74	103.75	818.33	760.13
PLANT AND EQUIPMENT	35.22	2.91	12.95	0.36	51.44	3.53	10.04	41.40	28.74
OFFICE EQUIPMENTS	15.89	3.59	1.86	(1.50)	19.84	3.05	6.28	13.56	11.92
FURNITURE & FIXTURES	10.17	1.80	3.10	(0.11)	14.96	2.12	3.67	11.29	8.50
DRAINAGE, SEWAGE & WATER SUPPLY SYSTEMS	2.37	-	0.51	-	2.88	0.02	0.08	2.80	2.31
TRANSPORT EQUIPMENT	1.04	-	-	(0.04)	1.00	0.05	0.74	0.26	0.33
GRAND TOTAL :	**945.41**	**77.08**	**115.74**	**(5.68)**	**1,132.55**	**45.67**	**125.01**	**1,007.54**	**864.92**
PREVIOUS YEAR :	**847.97**	**86.01**	**15.80**	**(4.37)**	**945.41**	**52.92**	**80.49**	**864.92**	

CONSOLIDATED

FINANCIAL STATEMENTS

2017-18

IndianOil

INDEPENDENT AUDITORS' REPORT

To

The Members of Indian Oil Corporation Limited

Report on the Consolidated IND AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Indian Oil Corporation Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (collectively referred to as "the Group") and its joint ventures and associates, comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income) consolidated cash flows and consolidated changes in equity of the Group including share of its joint ventures and associates, in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and 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 and for preventing and detecting frauds and other irregularities; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to the Other Matters paragraph below, is sufficient and appropriate to a basis for audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group, its joint ventures and associates as at 31st March, 2018, and consolidated profit (financial performance including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

We did not audit the financial statements of 9 subsidiaries included in the consolidated Ind AS financial statements, whose financial statements reflect total assets of ₹ 33,709.76 crore and net assets of ₹ 17,842.36 crore, as at 31st March, 2018, total revenues of ₹ 51,500.30 crore and net cash outflows/(inflows) amounting to ₹ 11.41 crore for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 548.52 crore and Other Comprehensive Income of ₹ (32.42) crore for the year ended 31st March, 2018, as considered in the consolidated Ind AS financial statements, in respect of 22 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 Holding Company's Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.

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 located outside India from 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 located outside India is based on the reports of other auditors as mentioned above.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and other financial information of subsidiaries, joint ventures and associates as noted in the 'other matter' paragraph, 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 Ind AS financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), and the Consolidated Cash Flow Statement and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the reports of the statutory auditors of joint ventures and associates incorporated in India, none of the directors of joint venture and associate companies incorporated in India is disqualified as on 31st March, 2018 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 over financial reporting of the Holding company it's subsidiary companies, associate companies and jointly controlled entities 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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, to the extent applicable, 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 separate financial statements as also the other financial information of the subsidiary companies, joint venture and associates, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its joint ventures and associates. Refer Note 33 and 37 to the consolidated Ind AS financial statements.

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts

iii. There has been no delay in transferring amounts, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, joint ventures and associates incorporated in India, during the year ended 31st March-2018.

For S. K. MEHTA & CO. **Chartered Accountants** **Firm Regn. No. 000478N**	**For V SANKAR AIYAR & CO.** **Chartered Accountants** **Firm Regn. No. 109208W**	**For CK PRUSTY & ASSOCIATES** **Chartered Accountants** **Firm Regn. No. 323220E**	**For V. SINGHI & ASSOCIATES** **Chartered Accountants** **Firm Regn. No. 311017E**
Sd/- **(CA. ROHIT MEHTA)** **Partner** **M. No. 091382**	**Sd/-** **(CA. G SANKAR)** **Partner** **M. No. 046050**	**Sd/-** **(CA. CHANDRAKANTA PRUSTY)** **Partner** **M. No. 057318**	**Sd/-** **(CA. ANIRUDDHA SENGUPTA)** **Partner** **M. No. 051371**

Place of Signature: New Delhi

Dated: 22nd May, 2018

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF EVEN DATE TO THE MEMBERS OF INDIAN OIL CORPORATION LIMITED FOR THE YEAR ENDED 31ST March 2018

Report on the Internal Financial Controls 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 Ind AS financial statements of the Company as of and for the year ended 31st March-2018, We have audited the internal financial controls over financial reporting of Indian Oil Corporation Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies (collectively referred to as "the Group") its 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 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 over financial reporting 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 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 Company's internal financial controls over financial reporting 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 ICAI and the Standards on Auditing, issued by ICAI and deemed to be 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditor's judgment, 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 the audit evidence obtained by the other auditors in terms of their reports\ referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March , 2018 except in case of one jointly venture where the auditors have qualified their opinion on certain matters which we are informed will not have material impact on the adequacy and operating effectiveness of internal financial control over financial reporting 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 ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 2 subsidiary companies and 20 jointly controlled companies/ associates, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For S. K. MEHTA & CO. **Chartered Accountants** **Firm Regn. No. 000478N**	**For V SANKAR AIYAR & CO.** **Chartered Accountants** **Firm Regn. No. 109208W**	**For CK PRUSTY & ASSOCIATES** **Chartered Accountants** **Firm Regn. No. 323220E**	**For V. SINGHI & ASSOCIATES** **Chartered Accountants** **Firm Regn. No. 311017E**
Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(CA. ROHIT MEHTA) **Partner** **M. No. 091382**	**(CA. G SANKAR)** **Partner** **M. No. 046050**	**(CA. CHANDRAKANTA PRUSTY)** **Partner** **M. No. 057318**	**(CA. ANIRUDDHA SENGUPTA)** **Partner** **M. No. 051371**

Place of Signature: New Delhi

Dated: 22nd May, 2018

IndianOil

BALANCE SHEET AS AT MARCH 31ST, 2018

(₹ in Crore)

Sl No.	Particulars	Note No.		March - 2018	March - 2017
	ASSETS				
	Non-current Assets				
a.	Property, Plant and Equipment	2	**1,22,987.42**		1,14,972.98
b.	Capital Work-in-Progress	2.1	**15,286.08**		12,992.67
c.	Goodwill - On Consolidation		**1.04**		1.04
d.	Intangible Assets	3	**1,064.54**		983.77
e.	Intangible Assets Under Development	3.1	**3,844.30**		3,785.73
f.	Equity investment in JV's and Associates	4	**11,048.51**		9,552.13
g.	Financial Assets				
	i) Investments (Other than Investment in JV and Associates)	4	**25,558.76**		26,665.70
	ii) Loans	5	**2,158.71**		1,099.31
	iii) Other Financial Assets	6	**3,483.25**		3,659.94
h.	Income Tax Assets (Net)	7	**1,302.93**		5.47
i.	Other Non-Current Assets	8	**3,262.30**		3,524.92
				189,997.84	177,243.66
	Current Assets				
a.	Inventories	9	**70,567.90**		65,724.06
b.	Financial Assets				
	i) Investments	4	**8,198.78**		7,469.41
	ii) Trade Receivables	10	**10,696.48**		8,899.19
	iii) Cash and Cash Equivalents	11	**318.90**		329.50
	iv) Bank Balances other than above	12	**175.38**		80.25
	v) Loans	5	**672.08**		1,765.09
	vi) Other Financial Assets	6	**11,284.11**		8,490.41
c.	Current Tax Assets (Net)	7	**0.91**		-
d.	Other Current Assets	8	**3,598.23**		3,500.12
			105,512.77		96,258.03
	Assets Held for Disposal	13	**161.68**		59.35
				1,05,674.45	96,317.38
	TOTAL			**2,95,672.29**	2,73,561.04
	EQUITY AND LIABILITIES				
	EQUITY				
a.	Equity Share capital	14	**9,478.69**		4,739.34
b.	Other Equity	15	**104,395.13**		97,356.76
c.	Non Controlling Interest		**2,151.22**		1,904.56
				1,16,025.04	104,000.66
	LIABILITIES				
	Non-current liabilities				
a.	Financial Liabilities				
	i) Borrowings	16	**23,060.51**		25,545.93
	ii) Other Financial Liabilities	17	**570.96**		461.92

	Particulars	Note No.		March - 2018	March - 2017
b.	Provisions	18	**2,422.65**		3,225.91
c.	Deferred tax liabilities (Net)	19	**12,367.85**		6,888.66
d.	Other non-current liabilities	20	**1,361.21**		752.42
				39,783.18	36,874.84
	Current liabilities				
a.	Financial Liabilities				
	i) Borrowings	21	**39,080.51**		33,284.10
	ii) Trade payables	22	**36,766.69**		31,196.50
	iii) Other Financial Liabilities	17	**38,402.82**		36,028.27
b.	Other Current Liabilities	20	**11,364.62**		13,030.22
c.	Provisions	18	**14,249.43**		19,066.54
d.	Current Tax Liabilities (Net)	7	**-**		79.91
				139,864.07	132,685.54
	TOTAL			**295,672.29**	**273,561.04**
	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/-**
(Sanjiv Singh)	**(A. K. Sharma)**	**(Kamal Kumar Gwalani)**
Chairman	**Director (Finance)**	**Company Secretary**
DIN - 05280701	**DIN - 06665266**	**ACS - 13737**

As per our attached Report of even date

For S. K. MEHTA & CO.	**For V SANKAR AIYAR & CO.**	**For CK PRUSTY & ASSOCIATES**	**For V. SINGHI & ASSOCIATES**
Chartered Accountants	**Chartered Accountants**	**Chartered Accountants**	**Chartered Accountants**
(Firm Regn. No. 000478N)	**(Firm Regn. No. 109208W)**	**(Firm Regn. No. 323220E)**	**(Firm Regn. No. 311017E)**
Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(CA. ROHIT MEHTA)	**(CA. G SANKAR)**	**(CA. CHANDRAKANTA PRUSTY)**	**(CA. ANIRUDDHA SENGUPTA)**
Partner	**Partner**	**Partner**	**Partner**
M. No. 091382	**M. No. 046050**	**M. No. 057318**	**M. No. 051371**

Place: New Delhi

Dated: 22nd May, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31ST, 2018

(₹ in Crore)

Particulars	Note No.		March - 2018	March - 2017
I. Revenue From Operations	23		**515,541.89**	453,794.73
II. Other Income	24		**3,419.88**	3,862.20
III. Total Income (I+II)			**518,961.77**	457,656.93
IV. Expenses:				
Cost of Materials Consumed	25		**217,228.51**	179,874.35
Excise Duty			**94,050.07**	98,415.73
Purchases of Stock-in-Trade			**118,116.41**	110,377.10
Changes in Inventories of Finished Goods, Stock-in-trade and Stock-In Process	26		**1,501.48**	(15,092.13)
Employee Benefits Expense	27		**10,680.70**	10,262.76
Finance Costs	28		**3,810.51**	3,721.26
Depreciation and Amortization on :				
a) Tangible Assets		**7,589.66**		6,744.29
b) Intangible Assets		**73.88**		61.63
			7,663.54	6,805.92
Impairment Losses			**4.33**	61.79
Net Loss on de-recognition of financial assets at amortised cost			**7.96**	4.68
Other Expenses	29		**32,359.19**	35,909.73
Total Expenses (IV)			**485,422.70**	430,341.19
V. Profit before Share of profit/(loss) of an associate/ a joint venture and Exceptional Items (III-IV)			**33,539.07**	27,315.74
VI Share of profit/(loss) of an associate/ a joint venture			**911.15**	640.06
VII. Profit before Tax (V+VI)			**34,450.22**	27,955.80
VIII. Tax Expense:				
Current Tax			**7,648.32**	7,794.77
Deferred Tax			**4,175.55**	(224.37)
IX. Profit For The Year (VII-VIII)			**22,626.35**	20,385.40
Profit for the Year attributable to :				
Equityholders of the Parent			**22,189.45**	19,849.49
Non-Controlling Interest			**436.90**	535.91
X. Other Comprehensive Income:	30			
A (i) Items that will not be reclassified to profit and loss			**64.43**	4,533.49
A (ii) Income Tax relating to items that will not be reclassified to profit and loss			**355.21**	184.98
B (i) Items that will be reclassified to profit and loss			**455.55**	54.09
B (ii) Income Tax relating to items that will be reclassified to profit and loss			**62.97**	(99.41)
XI. Total Comprehensive Income for the Year (IX+X) (Comprising Profit/ (Loss) and Other Comprehensive Income for the Year)			**23,564.51**	**25,058.55**

Particulars	Note No.		March - 2018	March - 2017
Total Comprehensive Income for the Year (Comprising Profit/ (Loss) and Other Comprehensive Income for the Year) attributable to:				
Equityholders of the Parent			**23,129.24**	24,537.39
Non-Controlling Interest			**435.27**	521.16
XIII. Earning per Equity Share (₹):	32			
(1) Basic			**23.41**	20.94
(2) Diluted			**23.41**	20.94
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/-
(Sanjiv Singh)
Chairman
DIN - 05280701

Sd/-
(A. K. Sharma)
Director (Finance)
DIN - 06665266

Sd/-
(Kamal Kumar Gwalani)
Company Secretary
ACS - 13737

As per our attached Report of even date

For S. K. MEHTA & CO.
Chartered Accountants
(Firm Regn. No. 000478N)

Sd/-
(CA. ROHIT MEHTA)
Partner
M. No. 091382

For V SANKAR AIYAR & CO.
Chartered Accountants
(Firm Regn. No. 109208W)

Sd/-
(CA. G SANKAR)
Partner
M. No. 046050

For CK PRUSTY & ASSOCIATES
Chartered Accountants
(Firm Regn. No. 323220E)

Sd/-
(CA. CHANDRAKANTA PRUSTY)
Partner
M. No. 057318

For V. SINGHI & ASSOCIATES
Chartered Accountants
(Firm Regn. No. 311017E)

Sd/-
(CA. ANIRUDDHA SENGUPTA)
Partner
M. No. 051371

Place: New Delhi

Dated: 22nd May, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST March-2018

	Particulars		March - 2018		March - 2017
A	**Cash Flow from Operating Activities**				
1	Profit Before Tax		**34,450.22**		27,955.80
2	Adjustments for :				
	Share of Profit of Joint Ventures and Associates	**(911.15)**		(640.06)	
	Depreciation and Amortisation	**7,667.87**		6,867.71	
	Loss/(Profit) on sale of Assets (net)	**160.77**		125.95	
	Loss/(Profit) on sale of Investments (net)	**(15.27)**		20.15	
	Amortisation of Capital Grants	**(30.86)**		(16.39)	
	Provision for Probable Contingencies (net)	**(3,250.51)**		7,428.86	
	MTM Loss/(gain) arising on financial assets/liabilities at fair value through profit and loss	**(459.51)**		0.56	
	Fair Value Gain on Investment / Provision on Investment (Net)	**(18.45)**		-	
	Bad Debts, Advances & Claims written off	**10.50**		66.99	
	Provision for Doubtful Debts, Advances, Claims and Obsolescence of Stores (net)	**313.62**		51.38	
	MTM Loss/(Gain) on Derivatives	**(130.42)**		113.09	
	Foreign Currency Monetary Item Translation Difference Account	**111.13**		359.63	
	Remeasurement of Defined Benefit Plans thru OCI	**256.16**		(570.88)	
	Interest Income	**(1,827.52)**		(1,783.62)	
	Dividend Income	**(735.09)**		(860.87)	
	Finance costs	**3,810.51**		3,721.26	
			4,951.78		14,883.76
3	**Operating Profit before Working Capital Changes (1+2)**		**39,402.00**		**42,839.56**
4	**Change in Working Capital (excluding Cash & Cash Equivalents):**				
	Trade & Other Receivables	**(3,178.86)**		220.93	
	Inventories	**(4,870.47)**		(23,465.16)	
	Trade and Other Payables	**5,033.53**		15,654.23	
	Change in Working Capital		**(3,015.80)**		(7,590.00)
5	Cash Generated From Operations (3+4)		**36,386.20**		35,249.56
6	Less : Taxes paid		**7,304.54**		7,033.44
7	**Net Cash Flow from Operating Activities (5-6)**		**29,081.66**		**28,216.12**
B	**Cash Flow from Investing Activities:**				
	Proceeds from sale of Property, plant and equipment / Transfer of Assets	**4,415.29**		957.54	
	Purchase of Property, Plant and Equipment	**(10,526.65)**		(5,441.84)	
	Expenditure on Construction Work in Progress	**(11,918.19)**		(9,344.27)	
	Proceeds from sale of financial instruments (other than working capital)	**752.27**		2,728.85	
	Purchase of Other Investments	**(2434.55)**		(9266.93)	
	Receipt of government grants (Capital Grant)	**21.99**		103.64	
	Interest Income received on Investments	**1,836.05**		1,717.73	
	Dividend Income on Investments	**735.09**		860.87	
	Net Cash Generated/(Used) in Investing Activities:		**(17,118.70)**		(17,684.41)

	Particulars		March - 2018		March - 2017
C	**Net Cash Flow From Financing Activities:**				
	Proceeds from Long-Term Borrowings (Including finance lease)	**2,709.59**		2,230.56	
	Repayments of Long-Term Borrowings (Including finance lease)	**(6,151.31)**		(10,664.81)	
	Proceeds from/(Repayments of) Short-Term Borrowings	**5,796.41**		13,076.20	
	Interest paid	**(2,857.28)**		(2,802.18)	
	Dividend/Dividend Tax paid	**(11,467.18)**		(12,773.64)	
	Expenses incurred on issuance of Bonus Shares	**(3.79)**		(3.19)	
	Net Cash Generated/(Used) from Financing Activities:		**(11,973.56)**		(10,937.06)
D	**Net Change in Cash & Cash Equivalents (A+B+C)**		**(10.60)**		**(405.35)**
E - 1	Cash & Cash Equivalents as at end of the year		**318.90**		329.50
	Less:				
E - 2	Cash & Cash Equivalents as at the beginning of year		**329.50**		734.85
	NET CHANGE IN CASH & CASH EQUIVALENTS (E 1-2)		**(10.60)**		**(405.35)**

Notes:

1 Net Cash Flow From Financing Activities includes following non-cash changes:

	Particulars	2017-18	2016-17
	(Gain)/ Loss due to changes in exchange rate	370.46	(692.05)
	Increase in Lease liabilities due to new leases	3.25	1.68
	Total	**373.71**	**(690.37)**

2 Cash Flow Statement is prepared using Indirect Method as per Indian Accounting Standard-7: Cash Flow Statement.

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/-
(Sanjiv Singh)	**(A. K. Sharma)**	**(Kamal Kumar Gwalani)**
Chairman	**Director (Finance)**	**Company Secretary**
DIN - 05280701	**DIN - 06665266**	**ACS - 13737**

As per our attached Report of even date

For S. K. MEHTA & CO.	For V SANKAR AIYAR & CO.	For CK PRUSTY & ASSOCIATES	For V. SINGHI & ASSOCIATES
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 000478N)	(Firm Regn. No. 109208W)	(Firm Regn. No. 323220E)	(Firm Regn. No. 311017E)
Sd/-	Sd/-	Sd/-	Sd/-
(CA. ROHIT MEHTA)	(CA. G SANKAR)	(CA. CHANDRAKANTA PRUSTY)	(CA. ANIRUDDHA SENGUPTA)
Partner	Partner	Partner	Partner
M. No. 091382	M. No. 046050	M. No. 057318	M. No. 051371

Place: New Delhi

Dated: 22nd May, 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31ST March-2018

A Equity Share Capital

(₹ in Crore)

	March-2018	March-2017
Balance at the beginning of the year	**4,739.34**	2,369.67
Changes in during the year		
Issue of Bonus Shares	**4,739.35**	2,369.67
Balance at the end of the year	**9,478.69**	**4,739.34**

B Other Equity

	Reserves and Surplus						
	Retained Earnings	Bond redemption reserve	Capital Reserve/ Capital Redemption Reserve	Securities Premium	Insurance reserve	Export Profit reserve	Corporate Social Responsibility Reserve
Opening Balance as at 1st April 2016	**71,689.42**	**2,991.57**	**338.51**	**91.37**	**183.48**	**53.72**	**7.07**
Profit for the Year	19,849.49	-	-	-	-	-	-
Other Comprehensive Income	(370.68)*	-	-	-	-	-	-
Total Comprehensive Income	**19,478.81**	**-**	**-**	**-**	**-**	**-**	**-**
Transfer from Bond Redemption Reserve	674.79	(674.79)	-	-	-	-	-
Utilized for issue of Bonus Shares (including Issue Expenses)	(2,372.86)	-	-	-	-	-	-
Appropriation towards Interim Dividend	(8,531.08)	-	-	-	-	-	-
Appropriation towards Final Dividend	(2,014.34)	-	-	-	-	-	-
Appropriation towards Corporate Dividend Tax	(2,221.04)	-	-	-	-	-	-
Appropriation towards Insurance reserve (Net)	(20.00)	-	-	-	20.00	-	-
Appropriation towards Bond redemption reserve	(525.58)	525.58	-	-	-	-	-
Appropriation towards Corporate Social Responsibility Reserve (net)	(0.26)	-	-	-	-	-	0.26
Foreign Currency Exchange Gain/ (Loss) on Long Term Monetary Items	-	-	-	-	-	-	-
FCMITDA amortised during the year	-	-	-	-	-	-	-
Transform from fair value of Debt instruments (recycling)	-	-	-	-	-	-	-
Addition to capital reserve during the year	-	-	2.53	-	-	-	-
Closing Balance as at 31st March, 2017	**76,157.86**	**2,842.36**	**341.04**	**91.37**	**203.48**	**53.72**	**7.33**
Opening Balance Adjustment	(0.82)	-	-	-	-	-	-
Profit for the Year	22,189.45	-	-	-	-	-	-
Other Comprehensive Income	164.52 *	-	-	-	-	-	-
Total Comprehensive Income	**22,353.97**	**-**	**-**	**-**	**-**	**-**	**-**
Transfer from Bond Redemption Reserve	162.13	(162.13)	-	-	-	-	-

(₹ in Crore)

	Items of Other Comrehensive Income			Attributable to Equityholders of the Parent	Non-Controlling Interest	TOTAL
Foreign Currency Monetary Item Translation Difference Account (FCMITDA)	Fair value of Equity Instruments	Fair value of Debt Instruments	Translation Reserve on Consolidation			
(414.88)	**13,114.36**	**(208.15)**	**(236.53)**	**87,609.94**	**1,426.04**	**89,035.98**
-	-	-	-	19,849.49	535.91	20,385.40
-	5,089.01	148.34	(178.77)	4,687.90	(14.75)	4,673.15
-	**5,089.01**	**148.34**	**(178.77)**	**24,537.39**	**521.16**	**25,058.55**
-	-	-	-	-	-	-
-	-	-	-	(2,372.86)	-	(2,372.86)
-	-	-	-	(8,531.08)	(7.50)	(8,538.58)
-	-	-	-	(2,014.34)	(28.73)	(2,043.07)
-	-	-	-	(2,221.04)	(6.41)	(2,227.45)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(77.17)	-	-	-	(77.17)	-	(77.17)
359.63	-	-	-	359.63	-	359.63
-	-	63.76	-	63.76	-	63.76
-	-	-	-	2.53	-	2.53
(132.42)	**18,203.37**	**3.95**	**(415.30)**	**97,356.76**	**1,904.56**	**99,261.32**
-	-	-	-	(0.82)	-	(0.82)
-	-	-	-	22,189.45	436.90	22,626.35
-	252.86	(169.45)	691.86	939.79	(1.63)	938.16
-	**252.86**	**(169.45)**	**691.86**	**23,129.24**	**435.27**	**23,564.51**
-	-	-	-	-	-	-

	Reserves and Surplus						
	Retained Earnings	Bond redemption reserve	Capital Reserve/ Capital Redemption Reserve	Securities Premium	Insurance reserve	Export Profit reserve	Corporate Social Responsibility Reserve
Utilised for issue of Bonus Shares (Including Issue Expenses	(4743.14)	-	-	-	-	-	-
Appropriation towards Interim Dividend	(9,004.90)	-	-	-	-	-	-
Appropriation towards Final Dividend	(474.06)	-	-	-	-	-	-
Appropriation towards corporate dividend tax	(1,968.37)	-	-	-	-	-	-
Appropriation towards Insurance reserve (Net)	(20.00)		-	-	20.00	-	-
Appropriation towards Bond redemption reserve	(546.62)	546.62	-	-	-	-	-
Appropriation towards Corporate Social Responsibility Reserve (net)	6.55	-	-	-	-	-	(6.55)
Foreign Currency Exchange Gain/ (Loss) on Long Term Monetary Items	-	-	-	-	-	-	-
FCMITDA amortised during the year	-	-	-	-	-	-	-
Transfer from fair Value of Equity Instruments	(222.00)	-	-	-	-	-	-
Transfer from fair Value of Debt Instruments (recycling)	-	-	-	-	-	-	-
Addition to Securities Premium During the year	-	-	-	(14.63)	-	-	-
Addition to Capital Reserve/ Capital Redeumption Reserve during the year	(74.32)	-	86.63	-	-	-	-
Closing Balance as at 31st March 2018	**81,626.28**	**3,226.85**	**427.67**	**76.74**	**223.48**	**53.72**	**0.78**

For and on Behalf of Board of Directors

Sd/-
(Sanjiv Singh)
Chairman
DIN - 05280701

Sd/-
(A. K. Sharma)
Director (Finance)
DIN - 06665266

Sd/-
(Kamal Kumar Gwalani)
Company Secretary
ACS - 13737

	Items of Other Comrehensive Income			Attributable to Equityholders of the Parent	Non-Controlling Interest	TOTAL
Foreign Currency Monetary Item Translation Difference Account (FCMITDA)	Fair value of Equity Instruments	Fair value of Debt Instruments	Translation Reserve on Consolidation			
-	-	-		(4.743.14)	-	(4,743.14)
-	-	-		(9,004.90)	(6.95)	(9,011.85)
-	-	-		(474.06)	(150.44)	(624.50)
-	-	-	-	(1,968.37)	(31.21)	(1,999.58)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(24.48)	-	-	-	(24.48)	-	(24.48)
111.13	-	-	-	111.13	-	111.13
-	222.00	-	-	-	-	-
-	-	16.09	-	16.09	-	16.09
-	-	-			-	(14.63)
-	-	-			-	12.31
(45.77)	**18,678.23**	**(149.41)**	**276.56**	**104,395.13**	**2,151.22**	**106,546.35**

As per our attached Report of even date

For S. K. MEHTA & CO.	For V SANKAR AIYAR & CO.	For CK PRUSTY & ASSOCIATES	For V. SINGHI & ASSOCIATES
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 000478N)	(Firm Regn. No. 109208W)	(Firm Regn. No. 323220E)	(Firm Regn. No. 311017E)
Sd/-	Sd/-	Sd/-	Sd/-
(CA. ROHIT MEHTA)	(CA. G SANKAR)	(CA. CHANDRAKANTA PRUSTY)	(CA. ANIRUDDHA SENGUPTA)
Partner	Partner	Partner	Partner
M. No. 091382	M. No. 046050	M. No. 057318	M. No. 051371

Place: New Delhi

Dated: 22nd May, 2018

CONSOLIDATED FINANCIAL STATEMENTS

NOTE-1A: SIGNIFICANT ACCOUNTING POLICIES

I. Corporate information

The financial statements comprise financial statements of "Indian Oil Corporation Limited" ("the holding company" or "IOCL") and its subsidiaries (collectively, the Group) for the year ended 31 March 2018.

IOCL is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at IndianOil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai.

The Group has business interests straddling the entire hydrocarbon value chain – from Refining, Pipeline Transportation and Marketing of Petroleum Products to Research & Development, Exploration & Production, Marketing of Natural Gas and Petrochemicals.

Information on other related party relationships of the Group is provided in Note-38.

The consolidated financial statements have been approved for issue in accordance with a resolution of the Board of Directors on

22nd May'2018.

II. Significant Accounting Policies

1. BASIS OF PREPARATION/ CONSOLIDATION

1.1 The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) (Amendment) Rules, 2016 & Companies (Indian Accounting Standards) (Amendment) Rules, 2017 and comply in all material aspects with the relevant provisions of the Companies Act'2013 and Companies (Amendment) Act,2017.

The consolidated 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 policy regarding financial instruments) and
- Contingent consideration

The consolidated financial statements are presented in Indian Rupees (INR) which is the presentation and functional currency of the Group and all values are rounded to the nearest Crores (up to two decimals) except when otherwise indicated.

1.2 Basis of consolidation:

1.2.1 Subsidiaries:

The consolidated financial statements comprise the financial statements of the IOCL and its subsidiaries as at 31 March 2018. 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 consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated 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 consolidated 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 31 March. Following consolidation procedure is followed:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent'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 recognised 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 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:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised 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

1.2.2 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 recognised at cost. The carrying amount of the investment is adjusted to recognise 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 recognised directly in the equity of the associate or joint venture, the Group recognises 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 recognising its share of further losses. Additional losses are recognised 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 recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

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 recognise an impairment loss on its investment 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 recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises 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 recognised in profit or loss.

1.2.3 Interest in Joint operations:

For the interest in joint operations, the Group recognises:

- 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. FIXED ASSETS

2.1 Property, Plant and Equipment and Intangible Assets

2.1.1 The cost of an item of property, plant and equipment 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.

2.1.2 PPE are stated at acquisition cost less accumulated depreciation / amortization and cumulative impairment except freehold land which is stated at historical cost.

2.1.3 Technical know-how / license fee relating to plants/facilities and specific software that are integral part of the related hardware are capitalised 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 during more than a period of 12 months.

2.1.5 The acquisition of PPE, directly increasing the future economic benefits of any particular existing item of property, plant and equipment, which are necessary for the Group to obtain the future economic benefits from its other assets, are recognized as assets.

2.1.6 On transition to Ind AS, the Group has elected to continue with the carrying value of all of its PPE recognised 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 on Projects

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 are charged to revenue.

2.2.2 Financing 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 Financing 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 cost. Specific provision is made for likely diminution in value, wherever required.

2.3 INTANGIBLE ASSETS

2.3.1 Technical know-how / license fee relating to production process and process design are recognized as Intangible Assets and amortized on a straight line basis over the life of the underlying plant/ facility.

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

2.3.3 Costs 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 capitalised as Intangible Asset and amortised over a period of three years beginning from the quarter in which such software is capitalised. However, where such computer software is still in development stage, costs incurred during the development stage of such software are accounted as "Intangible Assets Under Development".

2.3.4 Right of ways with indefinite useful lives are not amortised, but are 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 their fair value at the date of acquisition. Following initial recognition, Intangible Assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in 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 economic 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 recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized

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 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

2.4 Depreciation/Amortization

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 Companies Act, 2013 except in case of the following assets:

a) Useful life of 15 years for Plant and Equipment relating to Retail Outlets (other than storage tanks and related equipments), LPG cylinders and pressure regulators considered based on technical assessment

b) Useful life of 25 years for solar power plant considered based on technical assessment

c) In case of specific agreements e.g. enabling assets etc., useful life as per agreement or Schedule II, whichever is lower

d) In case of certain assets of R&D Centre useful life is considered based on technical assessment

e) In case of immovable assets constructed on leasehold land, useful life as per Schedule-II or lease period of land (including renewable period) , whichever is lower

f) In case of spare parts, useful life is considered based on the technical assessment

Depreciation/ amortization is charged pro-rata on quarterly basis on assets, from/upto the quarter of capitalization/ sale, disposal/ or earmarked for disposal. Residual value is generally considered between 0 to 5% of cost of assets except in few cases where it is considered based on transfer value agreed in respective agreement. Further, in case of catalyst with noble metal content, residual value is considered based on the cost of metal content.

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 capitalized spares over the life of the spare from the date it is available for use.

2.4.2 Assets, 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.

3. LEASES

3.1 A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

3.2 Operating Leases as a Lessee:

Lease rentals are recognized as expense on a straight line basis with reference to lease terms and other considerations except where-

(i) Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken on lease.; or

(ii) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

Contingent rentals are recognised as expenses in the periods in which they are incurred.

3.3 Operating Leases as a Lessor:

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where-

(i) Another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.; or

(ii) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

3.4 Finance Leases as Lessee:

(i) Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

(ii) A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

3.5 Finance Leases as Lessor: 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 are adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment.

3.6 The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2015, the Group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

4. IMPAIRMENT OF NON-FINANCIAL 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 costs 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 costs 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 ten years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the tenth 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 recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised 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 recognised. 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 recognised for the asset in prior years.

5. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of the qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised to the Statement of Profit and Loss in the period in which they are incurred.

6. FOREIGN CURRENCY TRANSACTIONS/ TRANSALATION

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 foreign currency are initially recorded at 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 investments, fixed assets 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 recognised in Other Comprehensive Income (OCI) or Statement of profit and loss are also recognised in OCI or Statement of profit and loss, respectively).

6.5 (a) Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency loans as mentioned in Para (b) (i) below.

(b) **(i) Exchange differences pertaining to long term foreign currency loans obtained or re-financed on or before March 31, 2016:** Exchange differences on long-term foreign currency loans relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets . In other cases, exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of such long-term foreign currency loan by recognising as gain or loss in the Statement of Profit and Loss.

(ii) **Exchange differences pertaining to long term after April 1, 2016:** The exchange differences pertaining to long term foreign currency loans obtained or re-financed on or after April 1, 2016 is accounted for in the Statement of Profit and Loss.

6.6 Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised 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 recognised 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 recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation on or after 1st April 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.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the 1st April 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 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 realizable value, whichever is lower.

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

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

7.2 Finished Products and Stock-in-Trade

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

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

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

7.3 Stores and Spares

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

7.3.2 Stores & Spares in transit are valued at cost.

8. PROVISIONS, CONTINGENCIES & CONTIGENT 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 recognised 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, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Increase in carrying amount of provisions, where interest rate is specified, are accounted in finance cost to the extent of increase attributable to passage of time.

8.1.4 Decommissioning Liability

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised 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 recognised in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

8.2 Contingent Liabilities and Contingent assets

8.2.1 Show-cause Notices issued by various Government Authorities are not considered as Obligation.

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;

b) All other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.

8.2.4 Estimated amount of contracts remaining to be executed on capital account are considered for disclosure.

8.2.5 A contingent asset is disclosed where an inflow of economic benefits is probable.

9. REVENUE RECOGNITION

9.1 Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Group has assumed that recovery of excise duty flows to the Group 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 Group 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 Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government Accordingly, it is excluded from revenue.

9.2 Revenue is recognised when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreement.

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 agent in this arrangement, the Group recognize the revenue on net basis.

9.3 Interest income from Financial Assets is recognised using effective interest rate (EIR) method.

9.4 Dividend income is recognized when the Group's right to receive dividend is established.

9.5 Claims (including interest on outstanding) are recognized at cost when there is reasonable certainty regarding its ultimate collection.

9.6 When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract cost incurred for work performed.

When the outcome of construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that is probable to be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

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.

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 recognised outside profit or loss is recognised 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 recognised 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 recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, 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 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 recognised 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 to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

11.2.3 Deferred tax relating to items recognised outside profit or loss is recognised 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 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 Gratuitym, Post Retirement Medical Benefits, Resettlement, Ex-gratia and AOD pension fund. 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 ,Post Retirement Medical Benefits and AOD pension fund 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.

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

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 recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Remeasurements in respect of other long term benefits are recognised in the statement of profit and loss.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

13. GRANTS

13.1 Government grants are recognised 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 Capital Grants which are recognized as income 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 recognised in the Statement of Profit and loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

Subsidy and budgetary support towards under recoveries are reckoned in "Revenue from operations" as per schemes notified by Government from time to time, subject to final adjustments, wherever applicable.

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 recognised in "Other Operating Revenues" in proportion of export obligations actually fulfilled during the accounting period.

Revenue grants are generally recorded under "Other Operating Revenues" except grant in respect of north east excise duty and entry tax exemption, which are 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 recognised 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 costs:

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 costs

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 costs relating to Exploratory Wells are expensed in the year when determined to be dry.

If the project is proved to be viable, then all costs 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 capitalised costs corresponding to proved developed oil and gas reserves is reclassified as 'Completed wells/ Producing wells' from "Capital work-in-progress/ Intangible Asset 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 costs 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.

15. CURRENT VERSUS NON-CURRENT CLASSIFICATION

15.1 The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

15.2 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 equivalent 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.

15.3 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 costs 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 amortized.

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.

17.1 Financial Assets

Initial recognition and measurement

All Financial Assets are recognised initially at fair value plus, in the case of Financial Assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, Financial Assets are classified in four categories:

- o Financial Assets at amortised cost
- o Debt instruments at fair value through other comprehensive income (FVTOCI)
- o Equity instruments at fair value through other comprehensive income (FVTOCI)
- o Financial Assets and derivatives at fair value through profit or loss (FVTPL)

17.1.1 Financial Assets at amortised cost

A Financial Assets 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 recognised in the profit or 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 recognised 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, JVs 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, excluding dividends. 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.

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 amortized 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 derecognised (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.

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 recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises 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 17

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 recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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 recognising 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.

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.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense 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 recognised initially at fair value and, in the case of liabilities measured at amortised cost net of directly attributable transaction costs.

The Group's Financial Liabilities include trade and other payables, loans and borrowings 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 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 recognised in the Statement of Profit and Loss.

B. Financial Liabilities at amortized 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 recognised in the Statement of Profit and Loss when the liabilities are derecognised 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 derecognised 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 recognised 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 recognised 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 recognised 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 recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as Financial Assets when the fair value is positive and as financial liabilities when the fair value is negative.

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.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss.

18. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalent 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.

19. TREASURY SHARES

Pursuant to 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 recognised at cost and deducted from equity. No gain or loss is recognised in profit or 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, maximising the use of relevant observable inputs and minimising 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 recognised 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 parent 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.

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 recognised 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 recognised 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 recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability 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 recognised 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 recognised 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 recognised 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 recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises 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 recognised in profit or loss. An impairment loss recognised 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 recognised, 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.

III. Amendments to Standards effective April 1, 2017

Amendments to Ind AS 7, Statement of Cash flows

Effective April1, 2017, the Group adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash changes. The adoption of the amendment has resulted into additional disclosures in relation to cash flow statement.

Amendments to Ind AS 102, Share Based payments

The amendment to Ind AS 102 is not relevant for the Company as it does not have any cash-settled share based payments or share based payments with a net-settled feature.

IV. Standards issued but not yet effective

Amendments to Ind AS 21, The Effects of Changes in Foreign Exchange Rates

The amendment to Ind AS 21, Foreign currency transactions and advance consideration clarifies the date of the transaction for the purpose of determining the exchange rate to be used on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The Group will adopt the amendments w.e.f. April 1, 2018. The effect on adoption of Ind AS 21 is expected to be insignificant

Ind AS 115, Revenue from Contract with Customers

MCA has notified Ind AS 115 (Revenue from Contracts with Customers) on March 28, 2018 as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. Ind-AS 115 supersedes Ind-AS 11 Construction Contracts and Ind-AS 18 Revenue. According to the new standard, revenue is recognized to depict the transfer of promised goods or services to a customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Ind-AS 115 establishes a five step model that will apply to revenue earned from a contract with a customer.

The standard allows for two methods of adoption: 1) retrospectively to each prior period presented with or without practical expedients, or 2) retrospectively with cumulative effect of adoption as an adjustment to opening retained earnings in the period of adoption. The standard is effective for periods beginning on or after April 1, 2018. Early adoption is not permitted. The Group will adopt this standard retrospectively with cumulative effect of adoption as an adjustment to opening retained earnings effective April 1, 2018.

The Group charges non-refundable fees for new retail outlets from dealers. Under the existing Ind-AS-18, these are recorded as Income immediately on receipt whenever a new dealership agreement is signed. As per Ind-AS-115, receipt of non-refundable fees does not result in transfer of any promised good or service to the customer and therefore, this is to be considered as an advance payment for performance obligations to be satisfied in future. Hence, non-refundable fees are recognized as revenue when those future goods or services are provided to dealers. As goods are sold on regular basis to customer over the dealership agreement, the same will be amortised over the dealership period. The estimated reduction of ₹129 crore is expected in Profit before tax in the Financial Year 2018-19. No significant impact is expected in the opening retained earnings during 2018-19.

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.

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:

Lease classification in case of leasehold land

The Group has obtained various lands from the governments for purpose of plants, facilities and offices. These lands are having various tenures and at the end of lease term, the lease could be extended for another term or the land could be returned to the government authority. Since land has an indefinite economic life, the mangement has considered 99 years and above cases for finance lease if at the inception of the lease, the present value of minimum lease payments are substantialy equal to fair value of leased assets. Further cases between 90-99 are also evaluated for finance lease on the basis of principle that present value of the minimum lease payments are substantially equal to fair value of the leased asset. In addition, other indicators such as the lessee's ability to renew lease for another term at substantially below market rent, lessee's option to purchase at price significantly below fair value are also examined for classification of land lease. Leases not meeting the finance lease criteria are classified under operating leases.

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.

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.

The parameter most subject to change is the discount rate. The management considers the interest rates of government securties 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 Finnancial Assets

The impairment provisions for trade receivables are 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 Group's past history and other factors at the end of each reporting period. Also refer Note-41 for impairment analsysis 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.

NOTE-2 PROPERTY PLANT AND EQUIPMENT

Current Year

(₹ in Crore)

		Land - Freehold (Refer A&F)	Land - Leasehold (Refer A&F)	Buildings, Roads etc. (Refer B&F)	Plant And Equipment	Office Equipments	Transport Equipment	Furniture & Fixtures	Railway Sidings	Drainage, Sewage And Water Supply System	Producing Properties	Total
Gross Block	**Gross Block as at 01.04.2017**	**2066.17**	**217.28**	**10,547.41**	**107,153.89**	**794.68**	**60.52**	**447.43**	**104.79**	**993.27**	**4,766.31**	**127,151.75**
	Additions during the year	931.00	53.48	230.49	8,325.19	221.73	7.62	44.89	8.93	16.78	36.51	9876.62
	Transfers from construction work-in-progress	0.09	2.09	1095.76	4,636.25	86.31	0.51	39.36	22.88	129.88	239.71	6252.84
	Disposals/ Deductions / Transfers / Reclassifications/ FCTR	(23.20)	20.41	(83.83)	(711.95)	(13.49)	0.60	19.22	5.76	(0.67)	178.53	(608.62)
	Gross Block as at 31.03.2018 (Refer C)	**2,974.06**	**293.26**	**11,789.83**	**119,403.38**	**1,089.23**	**69.25**	**550.9**	**142.36**	**1,139.26**	**5,221.06**	**142,672.59**
DEPRECIATION & AMORTISATION	**Depreciation & Amortisation as at 01.04.2017**	-	3.62	1,210.01	9,559.96	332.46	12.18	94.06	13.1	71.75	624.5	11,921.64
	Depreciation & Amortisation during the year (Refer D)	-	4.56	582.84	6422.19	217.7	7.59	70.64	9.20	41.90	235.38	7,592.00
	Disposals/ Deductions / Transfers/ Reclassifications/ FCTR	-	9.72	(53.97)	(115.67)	(10.45)	2.90	22.93	5.13	(0.08)	21.95	(117.54)
	Depreciation & Amortisation as at 31.03.2018	**-**	**17.9**	**1,738.88**	**15,866.48**	**539.71**	**22.67**	**187.63**	**27.43**	**113.57**	**881.83**	**19,396.1**
IMPAIRMENT	**Impairment as at 01.04.2017**	-	-	14.70	27.53	-	-	-	-	0.19	214.71	257.13
	Impairment Loss during the year	-	-	0.06	23.35	-	-	-	-	-	-	23.41
	Impairment Loss reversed during the year/ FCTR	-	-	-	-	-	-	-	-	-	8.53	8.53
	Impairment Loss as at 31.03.2018	-	-	14.76	50.88	-	-	-	-	0.19	223.24	289.07
	As at 31.03.2018	**2,974.06**	**275.36**	**10,036.19**	**103,486.02**	**549.52**	**46.58**	**363.27**	**114.93**	**1,025.50**	**4,115.99**	**122,987.42**

Previous Year

		Land - Freehold (Refer A&F)	Land - Leasehold (Refer A&F)	Buildings, Roads etc. (Refer B&F)	Plant And Equipment	Office Equipments	Transport Equipment	Furniture & Fixtures	Railway Sidings	Drainage, Sewage And Water Supply System	Producing Properties	Total
Gross Block	**Gross Block as at 01.04.2016**	**1,845.56**	**196.37**	**9,037.25**	**87,667.32**	**591.92**	**42.87**	**348.12**	**91.69**	**108.67**	**4,871.03**	**104,800.8**
	Additions during the year	223.40	83.93	431.56	4,178.07	176.54	15.60	55.80	1.07	399.59	37.07	5,602.63
	Transfers from construction work-in-progress	2.88	14.07	1,106.99	16,400.39	84.87	2.89	52.53	12.12	485.11	128.09	18,289.94
	Disposals/ Deductions / Transfers / Reclassifications/ FCTR	(5.67)	(77.09)	(28.39)	(1,091.89)	(58.65)	(0.84)	(9.02)	(0.09)	(0.10)	(269.88)	(1,541.62)
	Gross Block as at 31.03.2017	**2,066.17**	**217.28**	**1,0547.41**	**107,153.89**	**794.68**	**60.52**	**447.43**	**104.79**	**993.27**	**4766.31**	**127,151.75**
DEPRECIATION & AMORTISATION	**Depreciation & Amortisation as at 01.04.2016**	-	3.11	563.98	4142.33	176.22	4.82	26.33	5.23	6.06	372.64	5300.72
	Depreciation & Amortisation during the year	-	2.78	648.3	5477.83	206.86	8.68	70.97	7.94	65.78	280.97	6770.11
	Disposals/ Deductions / Transfers / Reclassifications/ FCTR	-	(2.27)	(2.27)	(60.2)	(50.62)	(1.32)	(3.24)	(0.07)	(0.09)	(29.11)	(149.19)
	Depreciation & Amortisation as at 31.03.2017	**-**	**3.62**	**1,210.01**	**9,559.96**	**332.46**	**12.18**	**94.06**	**13.10**	**71.75**	**624.5**	**1,1921.64**
IMPAIRMENT	**Impairment as at 01.04.2016**	-	-	-	-	-	-	-	-	-	225.59	225.59
	Impairment Loss during the year	-	-	14.70	27.53	-	-	-	-	0.19	-	42.42
	Impairment Loss reversed during the year/ FCTR	-	-	-	-	-	-	-	-	-	(10.88)	(10.88)
	Impairment as at 31.03.2017	**-**	**-**	**14.70**	**27.53**	**-**	**-**	**-**	**-**	**0.19**	**214.71**	**257.13**
	Net Block as at 31.03.2017	**2,066.17**	**213.66**	**9,322.70**	**97,566.40**	**462.22**	**48.34**	**353.37**	**91.69**	**921.33**	**3,927.10**	**114,972.98**

A. i) Freehold land includes ₹**21.26 crore** (2017: ₹9.51 crore) lying vacant due to title disputes/ litigation.

ii) Out of the Freehold land measuring 1364.01 acres at Mathura and Agra regions forming part of Note No.2, 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 ₹**1.19 crore** is continued to be included in Freehold land.

iii) Addition to Freehold land includes ₹**731.53 crores** (2017: Nil) on account of additional amount provided on settlement of land compensation cases.

B. i) Buildings include ₹**0.01 crore** (2017: ₹0.01 crore) towards value of 1605 (2017: 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 ₹**2038.43 crore (**2017: ₹1785.69 crore) and net block amounting to ₹**1271.09 crore** (2017: ₹1230.24 crore).

C. The cost of assets are net of VAT CREDIT/CENVAT/ GST ITC, wherever applicable.

D. Depreciation and amortisation for the year includes ₹ **2.34 crore** (2017: ₹ 25.82 crore) relating to construction period expenses shown in Note-2.2

E. Railways have claimed transfer of ownership in respect of certain assets provided by the Company at railway premises which has not been accepted by the company and continue to be part of fixed assets of the Company, WDV of such assets is ₹**70.63 crores** (2017: ₹67.00 crores).

F. Land and Buildings include ₹**212.12 crore** (2017: ₹ 186.82 crore) in respect of which Title / Lease Deeds are pending for execution or renewal.

G. For details regarding hypothecation/ pledge of assets, refer Note-16.

Details of assets under lease included above: (₹ in Crore)

Asset Particulars	Gross Block	Accumulated Depreciation & Amortisation	Accumulated Impairment Loss	W.D.V. as at 31.03.2018	W.D.V. as at 31.03.2017
Taken on Finance Lease					
Buildings	9.90	0.71	-	**9.19**	16.98
Plant and Equipment	3,966.38	489.43	-	**3,476.95**	3,631.37
Transport Equipment	3.25	0.64	-	**2.61**	-
Given on Operating Lease					
Buildings	2.14	0.17	-	**1.97**	0.95
Plant and Equipment	0.96	0.26	-	**0.70**	0.77

Details of Company's share of Jointly Owned Assets included above: (₹ in Crore)

Assets Particulars	Name of Joint Owner	Gross Block	Accumulated Depreciation & Amortisation	Accumulated Impairment Loss	W.D.V. as at 31.03.2018	W.D.V. as at 31.03.2017
Land - Freehold	HPC/BPC	3.27	-	-	**3.27**	3.10
Land - Leasehold	HPC/BPC/ BALMER LAWRIE	-	-	-	**-**	0.11
Buildings	HPC/BPC/ BALMER LAWRIE	31.75	4.86	-	**26.89**	26.66
Plant and Equipment	HPC/BPC/ GSFC/IPCL/ GNRE	50.07	7.61	-	**42.46**	33.99
Railway Sidings	HPC/BPC	10.34	2.66	-	**7.68**	7.77
Drainage,Sewage & Water Supply	GSFC	0.26	0.02	-	**0.24**	0.24
Total		**95.69**	**15.15**	**-**	**80.54**	**71.87**

Additions to Gross Block Includes: (₹ in Crore)

Asset Particulars	Exchange Fluctuation		Borrowing Cost	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Buildings	1.40	13.07	**5.47**	27.53
Plant and Equipment	153.39	1004.79	**313.31**	1362.03
Office Equipments	-	0.01	**0.04**	0.01
Drainage,Sewage & Water Supply	18.65	132.04	**8.78**	117.67
Total	**173.44**	**1149.91**	**327.6**	**1507.24**

NOTE-2.1: CAPITAL WORK IN PROGRESS

(₹ in Crore)

Particulars		March-2018		March-2017
Construction Work in Progress - Tangible Assets				
(Including unallocated capital expenditure, materials at site)				
Balance as at beginning of the year	A	**9,750.51**		15,368.82
Add: Additions during the year		**9,883.75**		8,244.13
Less: Allocated/ Adjusted during the year		**8,274.68**		13,862.44
		11,359.58		9,750.51
Less: Provision for Capital Losses		**33.17**		52.63
			11,326.41	9,697.88
Capital stores				
Balance as at beginning of the year		**1,799.49**		1,562.84
Add: Additions during the year		**3,369.20**		2,640.24
Less: Allocated/ Adjusted during the year		**2,471.97**		2,403.59
		2,696.72		1,799.49
Less: Provision for Capital Losses		**10.73**		11.11
			2,685.99	1,788.38
Capital Goods in Transit			**597.79**	371.27
Construction Period Expenses pending allocation:				
Balance as at beginning of the year		**1,135.14**		4,798.27
Add: Net expenditure during the year (Note - 2.2)		**573.64**		800.84
		1,708.78		5,599.11
Less: Allocated/ Adjusted during the year		**1,032.89**		4,463.97
			675.89	1,135.14
TOTAL			**15,286.08**	**12,992.67**
A. Includes Capital Expenditure relating to ongoing Oil & Gas E&P activities.			**54.73**	94.34
B. Specific borrowing eligible for capitalisation (Rate)			**1.80% to 9.27%**	1.25% to 9.27%

Note-2.2: CONSTRUCTION PERIOD EXPENSES (NET) DURING THE YEAR

(₹ in Crore)

Particulars	March-2018	March-2017
Employee Benefit expenses	**328.47**	237.82
Repairs and Maintenance	**2.87**	5.76
Consumption of Stores and Spares	**1.89**	0.01
Power & Fuel	**25.56**	174.62
Rent	**8.58**	6.81
Insurance	**15.33**	13.76
Rates and Taxes	**2.61**	1.16
Travelling Expenses	**35.19**	33.14
Communication Expenses	**1.11**	1.22
Printing and Stationery	**0.72**	0.83
Electricity and Water Charges	**2.73**	6.33
Bank Charges	**0.11**	0.09
Technical Assistance Fees	**0.74**	1.69
Exchange Fluctuation	**(2.68)**	(17.75)
Finance Cost	**96.70**	296.45
Depreciation and Amortization on:		
Tangible Assets	**2.34**	25.82
Start Up/ Trial Run Expenses (net of revenue)	**-**	(0.15)
Others	**54.03**	30.23
Total Expenses	**576.30**	817.84
Less : Recoveries	**2.66**	17.00
Net Expenditure during the year	**573.64**	**800.84**

NOTE-3 INTANGIBLE ASSETS

Current Year

(₹ in Crore)

		Right of Way	Licenses	Computer Software	Total
Gross Block	**Gross Block as at 01.04.2017**	**259.79**	**763.13**	**73.02**	**1095.94**
	Additions during the year	41.46	47.18	26.55	115.19
	Transfers from Intangible Assets under Development	18.82	0.23	21.49	40.54
	Disposals/Deductions/Transfers/ Reclassifications/ FCTR	(0.25)	(0.38)	(0.52)	(1.15)
	Gross Block as at 31.03.2018 (Refer C)	**319.82**	**810.16**	**120.54**	**1250.52**
	Total Amortisation as at 01.04.2017	0.52	66.44	44.93	111.89
DEPRECIATION, AMORTISATION AND IMPAIRMENT	Amortisation during the year	2.47	42.12	29.29	73.88
	Disposals/ Deductions / Transfers / Reclassifications/ FCTR	-	0.27	(0.34)	(0.07)
	Total Amortisation as at 31.03.2018	**2.99**	**108.83**	**73.88**	**185.7**
	Total Impairment as at 01.04.2017	0.27	-	0.01	0.28
	Impairment Loss during the year	-	-	-	-
	Impairment Loss reversed during the year	-	-	-	-
	Total Impairment as at 31.03.2018	0.27	-	0.01	0.28
	Net Block as at 31.03.2018	**316.56**	**701.33**	**46.65**	**1064.54**

Previous Year

		Right of Way	Licenses	Computer Software	Total
Gross Block	**Gross Block as at 01.04.2016**	**200.11**	**546.2**	**61.79**	808.1
	Additions during the year	59.74	42.74	12.73	115.21
	Transfers from Intangible Assets under Development	-	189.32	1.12	190.44
	Disposals/ Deductions/ Transfers/ Reclassifications/ FCTR	(0.06)	(15.13)	(2.62)	(17.81)
	Gross Block as at 31.03.2017	**259.79**	**763.13**	**73.02**	**1095.94**
	Amortisation as at 01.04.2016	**0.26**	**29.32**	20.67	50.25
DEPRECIATION, AMORTISATION AND IMPAIRMENT	Amortisation during the year	0.26	37.3	24.07	61.63
	Disposals/ Deductions / Transfers / Reclassifications/ FCTR	-	(0.18)	0.19	0.01
	Amortisation as at 31.03.2017	**0.52**	**66.44**	**44.93**	**111.89**
	Impairment Losss as at 01.04.2016	**-**	**-**	**-**	-
	Impairment Loss during the year	0.27	-	0.01	0.28
	Impairment Loss reversed during the year	-	-	-	-
	Impairment Loss as at 31.03.2017	**0.27**	**-**	**0.01**	**0.28**
	Net Block as at 31.03.2017	**259.00**	**696.69**	**28.08**	**983.77**

A. Net Block of Intangible assets with indefinite useful life (₹ in Crore)

	March-2018	March-2017
Right of Way	**298.72**	257.78
Right of way for laying pipelines are acquired on a perpetual basis.		

NOTE-3.1: INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Crore)

Particulars		March-2018	March-2017
Work in Progress - Intangible Assets			
(Including Unallocated Capital Expenditure)			
Balance as at beginning of the year	**4,000.81**		4,332.09
Add: Net expenditure during the year	**158.59**		200.79
	4,159.40		4,532.88
Less: Allocated/ Adjusted during the year	**75.29**		532.07
	4,084.11		4,000.81
Less: Provision for Loss	**239.81**		215.08
		3,844.30	3,785.73
TOTAL		**3,844.30**	3,785.73
A Includes Capital Expenditure (Net) relating to ongoing Oil & Gas E&P activities.		**3,553.53**	**3,540.35**

B Intangible assets under development are mainly in the nature of E&P Blocks and Licenses & Computer Softwares.

NOTE-4: INVESTMENTS

(₹ in Crore)

Particulars	Investment Currency	Face Value/ Paid up Value	March-2018 Number	March-2018 Carrying Value (₹ in Crore)	March-2017 Number	March-2017 Carrying Value (₹in Crore)
NON-CURRENT INVESTMENTS :						
I In Equity Shares						
A In Subsidiaries (not consolidated)						
IndianOil Creda Bio Fuels Limited (Dissolved on 08.03.2018)	Indian Rupees	10	-	-	18381197	18.38
Less: Provision for Impairment				-		(18.38)
Sub-total: (I)(A)				-		-
B In Associates (Equity Method*):						
QUOTED:						
Petronet LNG Limited	Indian Rupees	10	**187500000**	**1,226.41**	93750000	1,022.30
UNQUOTED:						
Avi-Oil India Private Limited	Indian Rupees	10	**4500000**	**14.62**	4500000	12.72
Petronet India Limited	Indian Rupees	0.10 (2017: 10)	**18000000**	**0.49**	18000000	19.02
Petronet VK Limited	Indian Rupees	10	**50000000**	**0.02**	49999970	0.02
Sub-total: (I)(B)				**1,241.54**		**1,054.06**
C In Joint Ventures (Equity Method*):						
UNQUOTED:						
IOT Infrastructure & Energy Services Limited	Indian Rupees	10	**494828289**	**500.53**	494828289	455.73
Indian Oil Panipat Power Consortium Limited	Indian Rupees	10	**840000**	-	840000	-
Lubrizol India Private Limited	Indian Rupees	100	**499200**	**153.20**	960000	275.59
Indian Oil Petronas Private Limited	Indian Rupees	10	**134000000**	**509.74**	134000000	418.38
Petronet CI Limited (under liquidation)	Indian Rupees	10	**3744000**	-	3744000	-
Green Gas Limited	Indian Rupees	10	**23042250**	**81.64**	23042250	62.67
IndianOil SkyTanking Private Limited	Indian Rupees	10	**25950000**	**71.80**	25950000	61.77
Suntera Nigeria 205 Limited	Naira rupees	1	**2500000**	-	2500000	-
Delhi Aviation Fuel Facility Private Limited	Indian Rupees	10	**60680000**	**75.85**	60680000	72.35
Indian Synthetic Rubbers Private Limited	Indian Rupees	10	**222861375**	**72.03**	222861375	44.99
NPCIL-IndianOil Nuclear Energy Corporation Limited	Indian Rupees	10	**260000**	**0.32**	260000	0.30

Particulars	Investment Currency	Face Value/ Paid up Value	March-2018 Number	March-2018 Carrying Value (₹ in Crore)	March-2017 Number	March-2017 Carrying Value (₹in Crore)
GSPL India Gasnet Limited	Indian Rupees	10	**100625030**	**101.74**	72025030	72.91
GSPL India Transco Limited	Indian Rupees	10	**99060000**	**100.39**	53300000	54.28
Indian Oil Adani Gas Private Limited	Indian Rupees	10	**124000000**	**116.95**	85000000	80.54
Mumbai Aviation Fuel Farm Facility Private Limited	Indian Rupees	10	**41888750**	**55.83**	38271250	42.75
Kochi Salem Pipeline Private Limited	Indian Rupees	10	**75000000**	**71.31**	55000000	52.36
IndianOil LNG Private Limited	Indian Rupees	10	**5000**	**-**	5000	-
Hindustan Urvarak and Rasayan Limited	Indian Rupees	10	**333250000**	**332.16**	5025000	3.61
Ratnagiri Refineries & Petrochemicals Limited	Indian Rupees	10	**50000000**	**40.59**	-	-
Indian Oil Ruchi Biofuels LLP (Capital Fund)	Indian Rupees	-	**-**	**-**	-	-
Indian Additives Ltd.	Indian Rupees	100	**1183401**	**152.44**	1183401	139.90
National Aromatics and Petrochemical Corporation Limited	Indian Rupees	10	**25000**	**-**	25000	-
VANKOR India Pte Ltd	USD	1	**568968589**	**4,460.09**	568968589	3,966.82
TAAS India Pte Ltd	USD	1	**407941730**	**2,899.11**	407941730	2,693.12
Falcon Oil & Gas BV	USD	1	**30**	**11.25**	-	-
Sub-total: (I)(C)				**9,806.97**		**8,498.07**
Total Investments in Subsidiaries, Associates & JVs [(I)(A)+(I)(B)+(I)(C)]				**11048.51**		**9,552.13**
D In Others						
Investments designated at fair value through OCI:						
QUOTED:						
Oil and Natural Gas Corporation Limited	Indian Rupees	5	**986885142**	**17,546.82**	986885142	18,257.37
GAIL (India) Limited	Indian Rupees	10	**54452730**	**1,789.05**	40839548	1,539.45
Oil India Limited	Indian Rupees	10	**53501100**	**1,157.49**	35667400	1,190.57

Particulars	Investment Currency	Face Value/ Paid up Value	March-2018 Number	March-2018 Carrying Value (₹ in Crore)	March-2017 Number	March-2017 Carrying Value (₹in Crore)
UNQUOTED:						
International Cooperative Petroleum Association, New York	USD	100	**350**	**0.02**	350	0.02
Haldia Petrochemical Limited	Indian Rupees	10	**150000000**	**726.75**	150000000	271.20
Vadodara Enviro Channel Limited[a] (Formerly Effluent Channel Projects Limited)	Indian Rupees	10	**7151**	**-**	7151	-
Woodlands Multispeciality Hospital Limited	Indian Rupees	10	**101095**	**0.10**	101095	0.10
Shama Forge Co. Limited[b] (under liquidation)	Indian Rupees	10	**100000**	**-**	100000	-
BioTech Consortium India Ltd.	Indian Rupees	10	**100000**	**0.10**	100000	0.10
Ceylon petroleum storage terminal limited	Sri Lankan Rupees	17.576	**250000000**	**319.20**	250000000	328.53
Pacific NorthWest LNG Limited	Canadian Dollars		**10000**	**-**	10000	0.49
Carabobo Ingenieria Y Construcciones S.A.	USD		**12.1% of Capital Stock**	**5.78**	12.1% of Capital Stock	7.78
Petrocarabobo S.A.	USD		**3.5% of Capital Stock**	**467.50**	3.5% of Capital Stock	384.93
Pacific NorthWest LNG Limited Partnership	Canadian Dollars			**-**		209.19
Mer Rouge Oil Storage Terminal Co Ltd ("MOST") Note - B4	Mauritian Rupees	1000	**5000**	**2.66**	5000	0.93
In Consumer Cooperative Societies:						
Barauni[c]	Indian Rupees	10	**250**	**-**	250	-
Guwahati[d]	Indian Rupees	10	**750**	**-**	750	-
Mathura[e]	Indian Rupees	10	**200**	**-**	200	-
Haldia[f]	Indian Rupees	10	**1663**	**-**	1663	-
In Indian Oil Cooperative Consumer Stores Limited, Delhi[g]	Indian Rupees	10	**375**	**-**	375	-
MRL Industrial Cooperative Service Society Ltd	Indian Rupees	10	**9000**	**0.01**	9000	0.01
Sub-total: (I)(D)				**22,015.48**		**22,190.67**
Sub-total: (I)=[(I)(A)+(I)(B)+(I)(C)+(1)(D)]				**33,063.99**		**31,742.80**
II In Preference Shares						
Investments at fair value through profit or loss						

Particulars	Investment Currency	Face Value/ Paid up Value	March-2018 Number	March-2018 Carrying Value (₹ in Crore)	March-2017 Number	March-2017 Carrying Value (₹in Crore)
UNQUOTED:						
Shama Forge Co. Limited[h] (under liquidation)	Indian Rupees	100	**5000**	**-**	5000	-
9.5% Cumulative Redeemable Preference Shares						
Sub-total: (II)				**0.00**		**0.00**
III In Government Securities						
Investments at fair value through OCI						
Quoted:						
Oil Marketing Companies GOI Special Bonds	Indian Rupees	10000	**460000**	**455.80**	2065000	2,003.54
9.15% Govt Stock 2024	Indian Rupees	10000	**1960000**	**2,119.21**	1,948,000	2,173.97
7.35% Govt Stock 2024	Indian Rupees	10000	**695000**	**691.46**	-	-
Sub-total: (III)				**3266.47**		**4,177.51**
IV In Debentures or Bonds						
(Investments in JV adjusted for equity method)						
Unquoted:						
IndianOil LNG Pvt Limited	Indian Rupees	1000000	**3265**	**276.81**	3,265	297.52
(Fully and Compulsorily Convertible Debentures)						
Sub-total: (IV)				**276.81**		297.52
Total Other Investments [(I)(D)+(II)+(III)+(IV)]				**25,558.76**		**26,665.70**
Total Non Current Investments (I+II+III+IV)				**36,607.27**		**36,217.83**
CURRENT INVESTMENTS :						
Unquoted: (at fair value through profit or loss)						
Unit Trust Investment (NAV)				**333.15**		274.00
In Government Securities (at fair value through OCI)						
Quoted:						
Oil Marketing Companies GOI Special Bonds	Indian Rupees	10000	**7906020**	**7,865.63**	7038020	7,182.02
9.15% Govt Stock 2024	Indian Rupees	10000	**-**	**-**	12,000	13.39
				8,198.78		**7,469.41**

(₹ in Crore)

Particulars	March-2018	March-2017
Aggregate value of quoted investments	**32,851.87**	33,382.61
Aggregate market value of quoted investments	**35,955.77**	36,139.84
Aggregate value of unquoted investments	**11,954.18**	10,304.63
Aggregate amount of impairment in value of investments	-	18.38

*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.

Note: A

Investment in Oil Marketing Companies GOI Special Bonds consists of: (₹ in Crore)

Nature of Bond	No. of Bonds	Face Value	Fair value
1. Non-Current Investments:			
6.90% GOI SPECIAL BONDS 2026	200,000	200.00	189.29
8.20% GOI SPECIAL BONDS 2023	260,000	260.00	266.51
Total Non-Current Investments	**460,000**	**460.00**	**455.80**
2. Current investment:			
8.13% GOI SPECIAL BONDS 2021	78,000	78.00	79.85
7.95% GOI SPECIAL BONDS 2025	457,250	457.25	462.03
8.20% GOI SPECIAL BONDS 2023	1,193,510	1,193.51	1,223.39
6.90% GOI SPECIAL BONDS 2026	2,882,930	2,882.93	2,728.61
8.00% GOI SPECIAL BONDS 2026	189,270	189.27	191.34
8.20% GOI SPECIAL BONDS 2024	3,105,060	3,105.05	3,180.41
Total Current Investments	**7,906,020**	**7,906.01**	**7,865.63**

Note: B - Other Disclosures

1 During the year, Oil Marketing Companies 8.20% GOI Special Bonds of investment value ₹ 160.00 crore & 9.15% Govt. Stock 2024 of investment value ₹ 13.67 crore are reclassified from current to non-current investments and Oil Marketing Companies 6.90% GOI Special Bonds of investment value ₹ 1028 crore are reclassified from non current to current investments.

2 Out of Government Securities classified as non-current, the following are pledged in favour of Clearing Corporation of India Ltd. (CCIL) for Loans through Collaterised Borrowings and Lending Obligation (CBLO) of CCIL

(₹ in crore)

Nature of Bonds	March-2018		March-2017	
	Face Value	Carrying Value	Face Value	Carrying Value
6.90% Oil Marketing Companies GOI Special Bonds 2026	**200.00**	**189.29**	1,965.00	1,899.43
9.15% GOVT.STOCK 2024	**1,960.00**	**2,119.21**	1,948.00	2,173.97
7.35% GOVT.STOCK 2024	**695.00**	**691.46**	-	-

3 Out of Oil Marketing Companies GOI Special Bonds,the following has been earmarked in line with the requirement of Companies (Share Capital and Debentures) Rules, 2014.

Nature of Bonds	March-2018		March-2017	
	Face Value	Carrying Value	Face Value	Carrying Value
8.20% GOI SPECIAL BONDS 2023	**258.27**	**264.74**	97.28	101.27

4 A Joint Venture of a subsidiary company, viz. M/s Mer Rouge Storage Terminal CO Ltd ("MOST"), has not been consolidated. Initially the subsidiary company has a share of 25% in MOST and during the year 2017, there has been a change in shareholding consequent upon the management's decision to participate with 6% of shareholding.

5 Following are not reflecting above due to rounding off:-

(Amount in ₹)

	Particulars	March-2018	March-2017
a	Investment Amount	**10**	10
b	Investment Amount	**100**	100
c	Investment Amount	**2,500**	2,500
d	Investment Amount	**2,500**	2,500
e	Investment Amount	**2,000**	2,000
f	Investment Amount	**16,630**	16,630
g	Investment Amount	**3,750**	3,750
h	Investment Amount	**100**	100

NOTE-5: LOANS

(Unsecured, Considered Good at amortised cost unless otherwise stated) (₹ in Crore)

Particulars	Non Current			Current		
	March-2018		March-2017	March-2018		March-2017
Security Deposits						
Secured, Considered Good	**0.06**		2.56	**0.13**		-
Unsecured, Considered Good	**124.01**		113.24	**130.48**		132.76
Unsecured, Considered Doubtful	**0.20**		0.20	**1.38**		0.28
	124.27		116.00	**131.99**		133.04
Less : Provision for Doubtful Deposits	**0.20**		0.20	**1.38**		0.28
		124.07	115.80		**130.61**	132.76
Loans						
To Related Parties						
Secured, Considered Good	**0.13**		0.11	**0.06**		0.02
Unsecured, Considered Good	**209.08**		67.55	**270.78**		601.73
Unsecured, Considered Doubtful	**-**		-	**2.25**		2.25
	209.21		67.66	**273.09**		604.00
Less : Provision for Doubtful Loans	**-**		-	**2.25**		2.25
	209.21		67.66	**270.84**		601.75
To Others						
Secured, Considered Good	**677.71**		584.58	**109.27**		112.13
Unsecured, Considered Good	**1,147.72**		331.27	**161.36**		918.45
Unsecured, Considered Doubtful	**162.16**		-	**0.86**		2.07
	1,987.59		915.85	**271.49**		1,032.65
Less : Provision for Doubtful Loans	**162.16**		-	**0.86**		2.07
	1,825.43		915.85	**270.63**		1,030.58
		2,034.64	983.51		**541.47**	1,632.33
TOTAL		**2,158.71**	1,099.31		**672.08**	1,765.09

NOTE-6: OTHER FINANCIAL ASSETS

(Unsecured, Considered Good at amortised cost unless otherwise stated) (₹ in Crore)

Particulars	Non Current			Current		
		March-2018	March-2017		March-2018	March-2017
Advances for Investments (A)		**1,186.55**	188.51		**-**	-
Amount Recoverable from Central/State Government						
Unsecured, Considered Good		**-**	-		**9,438.97**	7,748.45
Finance Lease Receivables		**0.38**	1.08		**0.69**	1.11
Deposits for Leave Encashment Fund		**2,135.91**	2,903.77		**-**	-
Interest Accrued on Investments/ Bank Deposits/ Loans		**-**	-		**188.07**	196.60
Advance to Employee Benefits Trusts		**147.42**	557.95		**121.96**	64.85
Claims Recoverable:						
From Related Parties						
Unsecured, Considered Good	**-**		-	**-**		-
Unsecured, Considered Doubtful	**-**		-	**21.59**		21.57
	-		-	**21.59**		21.57
From Others						
Unsecured, Considered Good	**-**		-	**24.51**		3.52
Unsecured, Considered Doubtful	**-**		-	**6.50**		5.84
	-		-	**31.01**		9.36
Less : Provision for Doubtful Claims	**-**		-	**28.09**		27.41
		-	-		**24.51**	3.52
Others (B)	**12.99**		8.63	**1,516.13**		481.90
Less: Provision for doubtful asset	**-**		-	**6.22**		6.02
		12.99	8.63		**1,509.91**	475.88
TOTAL		**3,483.25**	**3,659.94**		**11,284.11**	**8,490.41**

A. Advances for equity pending allotment

B. Mainly includes:

	March-2018	March-2017
1. Amount held with bank for purchase of foreign currency for value date 02.04.2018	**907.92**	**-**
2. Interest reciveables from Air India Limited	**465.04**	**330.80**

NOTE-7: INCOME TAX/CURRENT TAX ASSET/ (LIABILITY) - NET

(₹ in Crore)

Particulars	Non Current				Current	
		March-2018	March-2017		March-2018	March-2017
Income/Current Tax Asset/ (Liability) - Net						
Advance payments for Current Tax	**22,034.06**		5.47	**2.04**		16,904.72
Less : Provisions	**20,731.13**		-	**1.13**		16,984.63
Income/Current Tax Asset/ (Liability) - Net		**1,302.93**	5.47		**0.91**	(79.91)
TOTAL		**1,302.93**	**5.47**		**0.91**	**(79.91)**

NOTE-8: OTHER ASSETS

(Unsecured, Considered Good unless otherwise stated)

(₹ in Crore)

Particulars	Non Current			Current		
		March-2018	March-2017		March-2018	March-2017
Advances for Capital Expenditure						
To Related Parties						
Unsecured, Considered Good	**8.78**		25.78	-		-
	8.78		25.78	-		-
To Others						
Secured, Considered Good	-		9.38	-		-
Unsecured, Considered Good	**772.63**		1,003.05	-		-
Unsecured, Considered Doubtful	**0.09**		0.09	-		-
	772.72		1,012.52	-		-
	781.50		1,038.30	-		-
Less: Provision for Doubtful Advances	**0.09**		0.09	-		-
		781.41	1,038.21	-	**-**	-
Advances Recoverable						
From Related Parties						
Unsecured, Considered Good	**286.52**		309.09	**24.78**		**29.83**
From Others						
Secured, Considered Good	-		-	**0.16**		**0.34**
Unsecured, Considered Good	**219.51**		219.51	**1,807.69**		**1,823.46**
Unsecured, Considered Doubtful	**0.33**		0.33	**3.10**		**6.28**
	219.84		219.84	**1,810.95**		**1,830.08**
Less : Provision for Doubtful Advances	**0.33**		0.33	**3.10**		**6.28**
	219.51		219.51	**1,807.85**		1,823.80
		506.03	528.60		**1,832.63**	1,853.63
Claims Recoverable:						
From Related Parties						
Unsecured, Considered Good	-		-	**3.43**		3.88
Unsecured, Considered Doubtful	-		-	**2.61**		2.61
	-		-	**6.04**		**6.49**

(₹ in Crore)

Particulars	Non Current			Current		
		March-2018	March-2017		March-2018	March-2017
From Others						
Unsecured, Considered Good	-		-	878.64		897.16
Unsecured, Considered Doubtful	-		-	203.46		91.17
	-		-	1,082.10		988.33
Less : Provision for Doubtful Claims	-		-	206.07		93.78
		-	-		882.07	901.04
Balance/ Deposits with Government Authorities						
Unsecured, Considered Good		-	-		469.07	422.72
Gold / Other Precious Metals	-		-	163.32		193.03
Less : Provision for Diminution in value	-		-	13.09		11.44
		-	-		150.23	181.59
Deferred Expenses		649.50	665.09		189.97	63.93
Prepaid Rentals		1,325.36	1,293.02		73.97	76.96
Others		-	-		0.29	0.25
TOTAL		3,262.30	3,524.92		3,598.23	3,500.12

NOTE-9: INVENTORIES

(₹ in Crore)

Particulars		March-2018	March-2017
In Hand :			
Raw Materials		19,153.62	14,396.97
Stock in Process		5,403.10	5,509.93
Finished Products		23,493.25	25,180.30
Stock in Trade		7,755.08	6,354.73
Stores, Spares etc.	3,473.76		3,154.90
Less : Provision for Losses	184.26		157.63
		3,289.50	2,997.27
Barrels and Tins		41.66	45.84
		59,136.21	54,485.04
In Transit :			
Raw Materials		9,228.31	7,867.68
Finished Products		896.89	990.68
Stock in Trade		1,140.13	2,154.29
Stores, Spares etc.		166.36	226.37
		11,431.69	11,239.02
TOTAL		70,567.90	65,724.06
A. Amount of write down of inventories carried at NRV and recognised as expense		743.44	816.46
B. Amount of reversal of write down of inventories recognised as income		0.01	1.73
C. Valuation of inventories are done as per point no. 7 of significant accounting policies (Note - 1)			
D. For hypothecation details refer Note-21			

NOTE -10: TRADE RECEIVABLES

(At amortised cost) (₹ in Crore)

Particulars		March-2018	March-2017
From Related Parties			
Unsecured, Considered Good	91.98		125.28
Unsecured, Considered Doubtful	0.09		0.10
	92.07		125.38
From Others			
Secured Considered Good	150.00		124.98
Unsecured, Considered Good	10,454.50		8,648.93
Unsecured, Considered Doubtful	107.34		118.22
	10,711.84		8,892.13
Total	10,803.91		9,017.51
Less : Provision for Doubtful Debts	107.43		118.32
		10,696.48	8,899.19
TOTAL		10,696.48	8,899.19

NOTE-11: CASH AND CASH EQUIVALENTS

(₹ in Crore)

Particulars		March-2018	March-2017
Bank Balances with Scheduled Banks :			
Current Account	244.57		171.85
Fixed Deposit - Maturity within 3 months	0.37		0.05
		244.94	171.90
Bank Balances with Non-Scheduled Banks		48.54	127.62
Cheques, Drafts in hand		22.92	28.08
Cash Balances, Including Imprest		2.50	1.90
TOTAL		318.90	329.50

NOTE-12: BANK BALANCES OTHER THAN ABOVE

(₹ in Crore)

Particulars		March-2018	March-2017
Fixed Deposit	A	152.86	41.19
Earmarked Balances	B	22.51	39.05
Other Bank Balances	C	0.01	0.01
TOTAL		175.38	80.25
A) Earmarked in favour of Statutory Authorities.		8.49	6.07
B) Pertains to Unpaid Dividend/Fractional Share Warrants		22.51	39.05
C) There exists restrictions on repatriation from bank account in Myanmar		0.01	0.01

NOTE–13: ASSETS HELD FOR DISPOSAL

(₹in Crore)

Particulars	Note	March-2018	March-2017
Freehold land held for sale	A	**2.21**	2.21
Building	B	**0.43**	0.14
Plant and Equipment	B	**158.28**	56.12
Office Equipment	B	**0.63**	0.83
Transport Equipment	B	**0.02**	0.01
Furniture and Fixtures	B	**0.11**	**0.04**
Total		**161.68**	**59.35**

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. Includes non current assets retired from active use used in various segments which are planned to be disposed off by the company through tendering process within a year.

C. During the year, the Group has recognized impairment loss of ₹97.91 crore (2017: ₹27.10 crore) on write-down of the asset to fair value less costs to sell and the same has been shown under the caption 'Other Expenses' in the Statement of Profit & Loss.

NOTE-14: EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	March-2018	March-2017
Authorized:		
15,00,00,00,000(2017:6,00,00,00,000) Equity Shares of ₹ 10 each	**15,000.00**	6,000.00
Issued Subscribed and Paid Up:		
9,71,18,09,928(2017:4,85,59,04,964) Shares of ₹ 10 each fully paid up	**9,711.81**	4,855.90
Less: Equity Shares held under IOC Shares Trust 23,31,18,456(2017:11,65,59,228) Equity Share of ₹ 10 each fully paid up	**233.12**	116.56
TOTAL	**9,478.69**	**4,739.34**
A. Reconciliation of No. of Equity Shares		
Opening Balance	**4,855,904,964**	2,427,952,482
Shares Issued (Bonus Shares)	**4,855,904,964**	2,427,952,482
Shares bought back	**-**	-
Closing Balance	**9,711,809,928**	**4,855,904,964**

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. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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

C. Details of shareholders holdings more than 5% shares

Name of Shareholder	March-2018		March-2017	
	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
THE PRESIDENT OF INDIA	**5,533,436,444**	**56.98**	2,784,280,657	57.34
OIL & NATURAL GAS CORPORATION LIMITED	**1,337,215,256**	**13.77**	668,607,628	13.77
LIFE INSURANCE CORPORATION OF INDIA	**530,228,840**	**5.46**	375,354,812	7.73

During the year 2017-18, The President of India disinvested 1,75,62,435 equity shares in November 2017 in favour of BHARAT 22 ETF.

D. For the period of preceeding five years as on the Balance Sheet date, the :

(a) Aggregate Number and class of shares alloted as fully paid up pursuant to contract(s) wtihout payment being received in cash	Nil
(b) Aggregate Number of shares alloted as fully paid up by way of bonus shares	
. During FY 2016-17(Octber 2016) in ratio of 1:1	2,427, 952, 482
. During FY 2017-18 (Mar 2018) in ratio of 1:1	4,855,904,964
(c) Aggregate Number and class of shares bought back	Nil

NOTE-15: OTHER EQUITY

(₹ in Crore)

Particulars			March-2018	March-2017
Retained Earnings				
General Reserve:				
As per last Account		**75,206.44**		71,420.93
Add: Remeasurement of Defined Benefit Plans		**164.52**		(370.68)
Add : Transfer from Bond Redemption Reserve		**162.13**		674.79
Less: Utilized for Issue of Bonus Shares including expenses (net of tax)		**4,743.14**		2,372.86
Add : Transfer from Items not reclassified to Profit or Loss		**(222.00)**		-
Add: Appropriation from Surplus		**9,558.98**		5,854.26
			80,126.93	75,206.44
Surplus (Balance in Statement of Profit and Loss):				
Balance Brought Forward from Last Year's Account		**951.42**		268.49
Profit for the Year		**22,189.45**		19,849.49
Add: Opening Balance Adjustment		**(0.82)**		-
Less: Appropriations				
Interim Dividend		**9,004.90**		8,531.08
Final Dividend		**474.06**		2,014.34
Corporate Dividend Tax on:				
Interim Dividend		**1,873.27**		1,764.16
Final Dividend		**95.10**		456.88
Insurance Reserve (Net)		**20.00**		20.00
Bond Redemption Reserve		**546.62**		525.58
Capital Reserve		**74.32**		-
Corporate Social Responsibility Reserve (Net)	A	**(6.55)**		0.26
General Reserve		**9,558.98**		5,854.26
Balance carried forward to next year			**1499.35**	951.42
			81,626.28	76,157.86

Other Reserves				
Bond Redemption Reserve :				
As per last Account		**2,842.36**		2,991.57
Add: Appropriation from Surplus		**546.62**		525.58
Less: Transfer to General Reserve		**162.13**		674.79
			3,226.85	2,842.36
Capital Redemption Reserve			**0.41**	-
Capital Reserve :				
As per last Account		**341.04**		338.51
Add: On Consolidation		**86.22**		2.53
			427.26	341.04
Securities Premium Account :				
As per last Account		**91.37**		91.37
Addition during the year		**(14.63)**		-
			76.74	91.37
Insurance Reserve :	B			
As per last Account		**203.48**		183.48
Add: Appropriation from Surplus		20.00		20.00
			223.48	203.48
Export Profit Reserve	C		53.72	53.72
Corporate Social Responsibility Reserve:	**A**			
As per Last Account		**7.33**		7.07
Add: Appropriation from Surplus		**333.94**		217.14
Less: Utilized during the year		**340.49**		216.88
			0.78	7.33
Foreign Currency Monetary Item Translation Difference Account				
As per Last Account		**(132.42)**		(414.88)
Add: Foreign Currency Exchange Gain/ (Loss) on Long Term Monetary Items		**(24.48)**		(77.17)
Less: Amortized during the year		**(111.13)**		(359.63)
			(45.77)	(132.42)
Fair Value Through Other Comprehensive Income :				
Fair value of Equity Instruments				
As per Last Account		**18,203.37**		13,114.36
Add: Fair value during the year		**252.86**		5,089.01
Less: Transferred to General Reserve		**(222.00)**		-
			18,678.23	18,203.37
Fair value of Debt Instruments				
As per Last Account		**3.95**		(208.15)
Add: Fair value during the year		**(169.45)**		148.34
Less: Transferred to statement of profit and loss		**(16.09)**		(63.76)
			(149.41)	3.95
Translation Reserve on Consolidation				
As per last Account		**(415.30)**		(236.53)
Add : Translation difference		**691.86**		(178.77)
			276.56	(415.30)
TOTAL			**104,395.13**	**97,356.76**

A. Reserve is created for meeting expenses relating to CSR activities.
B. Reserve is created to mitigate risk of loss of assets not insured with external insurance agencies.
C. Amount set aside out of profits from exports for availing income tax benefits.

NOTE-16: LONG TERM BORROWINGS

(At Amortised Cost) (₹ in Crore)

Particulars		Non Current			Current Maturities*		
			March-2018	March-2017		March-2018	March-2017
SECURED LOANS							
Bonds:							
Non-Convertible Redeemable Bonds-Series-VIII B	A & B		-	1,070.00		**1,133.85**	63.85
Non Convertible Debentures	C		-	1,000.00		**1,000.00**	-
Term Loans:							
Oil Industry Development Board (OIDB)	D		**458.39**	882.48		**425.81**	719.50
Finance Lease Obligations	E		**3,453.88**	3,605.55		**167.60**	150.86
Total Secured Loans			**3,912.27**	6,558.03		**2,727.26**	934.21
UNSECURED LOANS							
Bonds:							
Foreign Currency Bonds	F	**8,502.93**		8,331.50	**116.76**		115.90
Senior Notes (Bank of America)	G & B	-		648.55			662.09
					658.60		
			8,502.93	8,980.05		**775.36**	777.99
Term Loans:							
From Banks/ Financial Institutions							
In Foreign Currency Loans	H	**10,166.45**		10,007.85	**6.15**		2,728.39
From Government							
In Rupees	I	**478.86**		-	**-**		-
			10,645.31	10,007.85		**6.15**	2,728.39
Total Unsecured Loans			**19,148.24**	18,987.90		**781.51**	3,506.38
TOTAL LONG-TERM BORROWINGS			**23,060.51**	**25,545.93**		**3,508.77**	**4,440.59**

* Current maturities (including Finance Lease Obligations) are carried to Note - 17: Other Financial Liabilities.

NOTE-16: LONG TERM BORROWINGS (Contd…)

Secured Loans (Bonds : A - B)

	Particulars	Allotment Date	Coupon Rate	Date of Redemption	Security Details
A	10,700 Bonds of face value of ₹ 10,00,000/- each	10th September 2008	11.00 % p.a. payable annually on 15th September	After 10 years from the date of allotment	These are secured by way of registered mortgage over the immovable properties of the Company i.e. Flat no. 3/62 Nanik Niwas of Shyam Co-op. Housing Society Ltd. situated at Bhulabhai Desai Road at Mumbai, together with 5 shares of the said society and immovable properties of the company at Panipat Refinery situated at Panipat in the state of Haryana.

B In line with the requirement of Companies (Share Capital and Debentures) Rules, 2014, the company has earmarked 8.20% Oil Marketing companies GOI Special Bonds 2023 of face value of ₹ 258.27 Crore (2017: ₹ 97.28 Crore) for total bonds value of ₹ 1721.80 crore (2017: ₹ 648.55 crore) maturing in the next financial year.

C	10,000 Nos. of 9.65% secured Redeemable Non convertible debentures (Series-II) of ₹ 10 Lakh each	10th January 2014	9.65 % p.a. payable annually on 10th January	Principal replayable at the end of 5 years from date of allotment	First change on specific Plant & machinery alongwith the underlying land together with all building & structures standing on land to the extent of ₹ 1,000 crore.

D **Secured Term Loans**

1. **Security Details for OIDB Loans:**

a)	First Charge on the facilities at Paradip Refinery, Odisha.
b)	First charge on the facilities at Butadiene Extraction Unit, Panipat, Haryana.
c)	First charge on the facilities at FCC Unit at Mathura Refinery, Uttar Pradesh.
d)	First charge on the facilities at Paradip-Raipur-Ranchi pipeline
e)	First charge on the facilities at SMPL System
f)	First charge on the facilities at Paradip-Haldia- Durgapur LPG Pipeline

NOTE-16: LONG TERM BORROWINGS (Contd…)

Secured Loans (Bonds : A - B)

2. Loan Repayment Schedule against loans from OIDB (Secured)-Term Loans

(₹ in Crore)

S.No.	Repayable During	Repayable Amount	Range of Interest Rate
1	2018-19	425.81	8.12% - 9.27%
2	2019-20	282.81	8.12% - 8.45%
3	2020-21	177.82	8.12% - 8.27%
	TOTAL	**886.44**	

E. Finance Lease Obligations

The Finanace Lease Obligations is against assets aquired under Finance Lease. The net carrying value of the same is ₹ 3555.00 crores (2017: ₹ 3715.24 crore).

Unsecured Loans

F. Repayment Schedule of Foreign Currency Bonds

S.No.	Particulars of Bonds	Date of Issue	Date of Repayment
1	USD 500 million Reg S bonds	1st August 2013	Payable after 10 years from the date of issue
2	SGD 400 million Reg S bonds	15th October 2012	On the same day, cross currency swap amounting to USD 325.57 Million. Payable after 10 years from the date of issue
3	USD 500 Million Reg S bonds	2nd August 2011	Payable after 10 years from the date of issue

G. Repayment Schedule of Senior Notes (Bank of America)

1 USD 300 Million US Private Placement bonds issued in four tranches of USD 75 Million dt. 6th June, 2nd July, 1st August and 4th sept. 2007 are payable in three tranches of USD 100 Million each on 1st August 2016, 1st August 2017 and 1st August 2018

H. Repayment Schedule of loans from Banks and Financial Institutions

Sl. No.	Particulars of Loans	Date of drawal	Date of Repayment
1	USD 300 Million syndication loan	29th Sept 2017	Payable after 5 years from the date of drawal
2	USD 250 Million syndication loan	29th Jan 2016	
3	USD 650 Million syndication loan (USD 300 Million repaid on 29th Sept 2017)	27th June 2014	

Sl. No.	Amount	Repayment date / Schedule
1	USD 50 Million Loan from SBI	18.09.2019
2	CAD 415.58 Million Loan from SBI	5 year from the date of drawal or 31st March 2021 which ever is earlier
3	US$ 300 million	5 years from the date of drawal(31.03.2017) i.e. 31.03.2022

I. Repayment Schedule of Unsecured Interest Free Loans from Govt of Odisha

1 Interest free loan given by Odisha Government for 15 years disbursed in quarterly installment of ₹ 175 crore starting from 01.04.2016 repayable after 15 years. The first installment of loan for the period April 2016 to December 2017 of ₹ 1225 crore has been received on 15.01.2018 and thereafter ₹ 175 crore is received every quarter. Total loan disbused till now is ₹ 1400 crore which is repayable after 15 years from the quarter for which the same is given i.e. in quarterly installements starting from last week of June 2031 onwards. This loan being interest free loan is discounted for fair value and Government grant accounting is done. Also refer Note-47.

NOTE-17: OTHER FINANCIAL LIABILITIES

(At Amortised Cost unless otherwise stated) (₹ in Crore)

Particulars	Non Current			Current		
		March-2018	March-2017		March-2018	March-2017
Current maturities of long-term debt (Refer Note - 16)		**-**	-		**3,508.77**	4,440.59
Interest accrued but not due on borrowings		**-**	-		**22.29**	22.07
Liability for Capital Expenditure		**-**	-		**3,930.34**	4,507.64
Liability to Trusts and Other Funds		**-**	-		**1,185.57**	1,885.22
Employee Liabilities		**-**	-		**3,465.83**	1,871.13
Investor Education & Protection Fund to be credited on the due dates:						
- Unpaid Dividend	**-**		-	**19.17**		39.02
- Unpaid Matured Deposits	**-**		-	**0.01**		0.01
		-	-		**19.18**	39.03
Derivative instruments at fair value through profit and loss		**-**	-		**221.40**	379.03
Security Deposits		**570.13**	461.16		**23,446.78**	20,955.99
Liability for Dividend		**-**	-		**3.30**	-
Others		**0.83**	0.76		**2,599.36**	1,927.57
TOTAL		**570.96**	**461.92**		**38,402.82**	**36,028.27**

NOTE-18: PROVISIONS

(₹ in Crore)

Particulars	Non Current				Current		
			March-2018	March-2017		March-2018	March-2017
Provision for Employee Benefits			**2,253.22**	3,059.43		**369.76**	499.61
Decommissioning Liability	A		**169.43**	166.48		**-**	-
Contingencies for probable obligations	B	-		-	**32,406.83**		36,433.51
Less: Deposits		-		-	**18,527.21**		17,867.37
			-	-		**13,879.62**	18,566.14
Other Provisions			**-**	-		**0.05**	0.79
	TOTAL		**2,422.65**	**3,225.91**		**14,249.43**	**19,066.54**

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	**166.48**	0.42	2.63	(1.08)	4.08	169.43
TOTAL	**166.48**	**0.42**	**2.63**	**(1.08)**	**4.08**	**169.43**
Previous Year Total	**197.08**	1.80	2.98	33.31	3.89	166.48

** Includes gain on account of transalation amounting to ₹ 6.24 crore (2017: Gain of ₹8.13 crore)

(₹ in Crore)

Particulars	Opening Balance	Addition during the year	Utilization during the year	Reversals during the year**	Closing Balance*
Excise	11.72	8.63	5.03	-	15.32
Sales Tax / GST	2,581.24	141.34	1.75	0.03	2,720.80
Entry Tax	31,758.05	1,199.50	2,288.35	2,933.26	27,735.94
Others	2,082.50	994.39	824.84	317.28	1,934.77
TOTAL	**36,433.51**	**2,343.86**	**3,119.97**	**3,250.57**	**32,406.83**
Previous Year Total	**26,584.61**	10,010.05	36.50	124.65	36,433.51

** Includes transalation difference of ₹ 0.06 crore.

(₹ in Crore)

Particulars	March-2018 Addition includes
- capitalized	**163.02**
- included in Raw Material	**470.71**
- included in Finance Cost	**1,073.62**
- included in Employee Benefit Expenses	**4.33**
- included in Other Expenses	**581.01**
- shown as provison for tax	**51.17**

* Expected timing of outflow is not ascertainable at this stage, the matters being under dispute/ contingent.

NOTE-19: TAXES

(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 31.03.2017	Provided during the year in Statement of Profit and Loss *	Provided during the year in OCI (net)	Balance as on 31.03.2018
Deferred Tax Liability:				
Related to Fixed Assets	19,026.08	2,205.83	-	21,231.91
Foreign Currency gain on long term monetary item	67.63	(51.64)	-	15.99
Total Deferred Tax Liability (A)	**19,093.71**	**2,154.19**	**-**	**21,247.90**
Deferred Tax Assets:				
Provision on Inventories, Debtors, Loans and Advance, Investments	526.28	125.05	-	651.33
Compensation for Voluntary Retirement Scheme	21.09	(7.06)	-	14.03
43B/40 (a)(ia)/other Disallowances etc.	7,923.27	(1,942.13)	(3.29)	5,977.85
Carry Forward Business Losses/ Unabsorbed Depreciation	365.36	(359.89)	-	5.47
Remeasurement of defined benefit plan	-	0.06	0.08	0.14
Fair valuation of Equity instruments	(12.12)	-	444.02	431.90
Fair value of debt instruments	(23.01)	-	54.44	31.43
Others	82.11	(129.79)	-	(47.68)
Total Deferred Tax Assets (B)	**8,882.98**	**(2,313.76)**	**495.25**	**7,064.47**
MAT credit entitlement (C) **	**3,322.07**	**(1,506.49)**	**-**	**1,815.58**
Deferred Tax Liability net of MAT Credit (A-B-C)	**6,888.66**	**5,974.44**	**(495.25)**	**12,367.85**
* Includes translation reserve due to translation of opening balance at closing exchange rate		**0.44**		
** Includes ESC of LIOC		**18.64**		

(ii) Reconciliation between the average effective tax rate and the applicable tax rate is as below :

Particulars	March-2018 %	March-2017 %
Applicable tax rate	**34.608**	**34.608**
Tax effect of income that are not taxable in determining taxable profit	(1.80)	(8.00)
Tax effect of expenses that are not deductible in determining taxable profit	1.15	0.82
Tax effect on recognition of previously unrecognised allowance/disallowances	1.37	1.30
Tax expenses/income related to prior years	(0.79)	(1.07)
Difference in tax due to income chargeable to tax at special rates	(0.02)	(0.03)
Tax impact on share of profit of JVs/ Associates added net of tax in PBT of Group	(0.57)	(0.64)
Tax effect of different or nil tax rates of Group Companies	(0.06)	(0.12)
Difference due to change in Rate of Tax	0.41	-
Others	0.02	0.21
Average Effective Tax Rate	**34.32**	**27.08**

NOTE-20: OTHER LIABILITIES

(₹ in Crore)

Particulars	Non Current		Current	
	March-2018	March-2017	March-2018	March-2017
Deferred Income	**6.58**	**9.57**	1.82	2.18
Government Grants (Refer Note 44)	**1,354.63**	**742.85**	84.99	16.78
Statutory Liabilities	-	-	7,860.00	10,006.93
Advances from Customers	-	-	3,415.22	3,002.74
Others	-	-	2.59	1.59
TOTAL	**1,361.21**	**752.42**	**11,364.62**	**13,030.22**

NOTE-21: BORROWINGS - CURRENT

(₹ in Crore)

Particulars			March-2018	March-2017
SECURED LOANS				
Loans Repayable on Demand				
From Banks:	A			
Working Capital Demand Loan		**6,102.85**		2,462.41
Cash Credit	B	**2,410.62**		2,671.88
Foreign Currency Loans		**43.17**		-
			8,556.64	5,134.29
From Others:				
Loans through Collaterised Borrowings and Lending Obligation (CBLO) of Clearing Corporation of India Ltd. (CCIL)			**2,635.01**	2,635.14
Total Secured Loans			**11,191.65**	**7769.43**
UNSECURED LOANS				
Loans Repayable on Demand				
From Banks/ Financial Institutions				
In Foreign Currency		**20,981.53**		20,322.80
In Rupee		**3,907.68**		3,394.56
			24,889.21	23,717.36
From Others				
Commercial Papers		**2,999.65**		1,797.31
			2,999.65	1,797.31
Total Unsecured Loans			**27,888.86**	**25,514.67**
TOTAL SHORT-TERM BORROWINGS			**39,080.51**	**33,284.10**
A. Against hypothecation by way of first pari passu charge on Raw Materials, Finished Goods, Stock-in Trade, Sundry Debtors, Outstanding monies, Receivables, Claims, Contracts, Engagements to SBI and HDFC banks.				
B. Against pledging of following to CCIL:				
Government Securities			**2855.00**	3913.00
Bank Guarantees			**1650.00**	1650.00

NOTE-22: TRADE PAYABLES

(₹ in Crore)

Particulars		March-2018	March-2017
Dues to Micro and Small Enterprises		**23.96**	24.86
Dues to Related Parties		**527.30**	387.30
Dues to others		**36,215.43**	30,784.34
TOTAL		**36,766.69**	**31,196.50**

NOTE-23: REVENUE FROM OPERATIONS

(₹ in Crore)

Particulars		March-2018	March-2017
Sales (Net of Discounts)	**506,476.10**		447,029.82
Sale of Services	**78.49**		76.26
Other Operating Revenues (Note "23.1")	**5,716.75**		1,666.66
		512,271.34	448,772.74
Net Claim/(Surrender) of SSC		**(6.90)**	(207.24)
Subsidy From Central/State Government		**81.11**	80.02
Grant from Government of India		**3,196.34**	5,149.21
TOTAL		**515,541.89**	**453,794.73**

Particulars relating to Revenue Grants are given in Note - 44.

NOTE-23.1: OTHER OPERATING REVENUES

(₹ in Crore)

Particulars		March-2018	March-2017
Sale of Power and Water		**178.15**	112.25
Revenue from Construction Contracts		**5.78**	13.35
Unclaimed / Unspent liabilities written back		**89.40**	269.65
Provision for Doubtful Debts, Advances, Claims, and Stores written back		**53.69**	93.91
Provision for Contingencies written back		**3,250.51**	80.23
Recoveries from Employees		**18.79**	31.03
Retail Outlet License Fees		**849.08**	165.93
Income from Non Fuel Business		**188.17**	198.05
Commission and Discount Received		**4.98**	10.33
Sale of Scrap		**152.13**	115.81
Income from Finance Leases		**0.20**	0.40
Amortization of Capital Grants		**30.86**	16.39
Revenue Grants (Refer point no. A3, A4 and A5 of Note - 44)		**270.08**	10.19
Commodity Hedging Gain (Net)		**-**	12.34
Terminalling Charges		**72.61**	74.23
Other Miscellaneous Income		**552.32**	462.57
TOTAL		**5,716.75**	**1,666.66**

NOTE-24: OTHER INCOME

(₹ in Crore)

Particulars			March-2018	March-2017
Interest on:	A			
Financial items:				
Deposits with Banks		**14.12**		30.55
Customers Outstandings		**330.80**		319.09
Oil Companies GOI SPL Bonds/ Other Investment		**926.48**		922.36
Other Financial Items		**511.86**		376.39
Non-Financial items		**44.26**		135.23
			1,827.52	1,783.62
Dividend:	B			
From Related Parties		**14.80**		4.55
From Other Companies		**720.29**		856.32
			735.09	860.87
Profit on Sale of Investments (Net)	C		**31.36**	43.61
Fair value Gain on Investment/ Provision Written Back (Net)			**18.38**	-
Exchange Fluctuations (Net)			**245.02**	1,119.04
Gain on Derivatives			**46.40**	-
Fair value Gain on Financial instruments classified as FVTPL			**459.51**	-
Other Non Operating Income			**56.60**	55.06
TOTAL			**3,419.88**	**3,862.20**
A 1. Includes Tax Deducted at Source			**13.55**	34.26
A 2. Includes interest received under section 244 A of the Income Tax Act.			**22.96**	111.42
A 3. Include interest on:				
Current Investments			**652.86**	724.29
Non-Current Investments			**273.62**	198.07
A 4. Total interest income (calculated using the effective interest method) for financial assets that are not at fair value through profit or loss:				
In relation to Financial assets classified at amortised cost			**856.78**	726.03
In relation to Financial assets classified at FVOCI			**895.86**	864.24
B Dividend Income consists of Dividend on:				
Current Investments			**14.08**	33.88
Non-Current Investments			**721.01**	826.99
C. Includes Gain/(Loss) reclassified from Fair Value of Debt Instruments Reserve			**(24.60)**	(98.59)

NOTE-25: COST OF MATERIALS CONSUMED

(₹ in Crore)

Particulars	March-2018	March-2017
Opening Stock	**22,264.65**	13,979.68
Add: Purchases	**223,345.79**	188,159.32
	245,610.44	202,139.00
Less: Closing Stock	**28,381.93**	22,264.65
TOTAL	**217,228.51**	**179,874.35**

Particulars relating to Revenue Grants adjusted in purchases are given in Note - 44.

NOTE-26: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND STOCK IN PROCESS

(₹ in Crore)

Particulars		March-2018	March-2017
Closing Stock			
Finished Products	**24,390.14**		26,170.98
Stock in Process	**5,403.10**		5,509.93
Stock- in - trade	**8,895.21**		8,509.02
		38,688.45	40,189.93
Less:			
Opening Stock			
Finished Products	**26,170.98**		18,040.90
Stock in Process	**5,509.93**		2,788.28
Stock - in - Trade	**8,509.02**		4,268.62
		40,189.93	25,097.80
NET INCREASE / (DECREASE)		**(1,501.48)**	**15,092.13**

NOTE-27: EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

Particulars			March-2018	March-2017
Salaries, Wages, Bonus etc			**7,980.69**	7,013.84
Contribution to Provident & Other Funds			**1,670.42**	2,273.25
Voluntary Retirement Compensation			**1.22**	55.47
Staff Welfare Expenses			**1,028.37**	920.20
TOTAL			**10,680.70**	**10,262.76**

A. Includes ₹**16.74 Crore**(2017: ₹25.62 Crore) towards compensation to executives for working in shift in the plant/operations area on which the company has taken up the matter with MOP&NG /DPE.

B. Excludes ₹**328.47 crore** (2017: ₹237.82 crore) included in capital work in progress (Note - 2.2) Out of which ₹**0.54 crore**(2017: ₹ 0.90 crore) paid to executives working in grass root projects till comercial production, where the company has taken up the matter with MOP & NG. and ₹**13.94 crore** (2017: ₹9.90 crore) included in CSR expenses (Note - 29.1).

D. Includes ₹**240.47 crore** (2017:Nil) towards SABF contribution for past service prior to 31.12.2006

E. Disclosure in compliance with Indian Accounting Standard-19 on "Employee Benefits" is given in Note - 36.

NOTE-28: FINANCE COSTS

(₹ in Crore)

Particulars		March-2018	March-2017
Interest Payments on Financial items:			
Working Capital Loans:			
Bank Borrowings	432.76		323.55
Bonds/Debentures	-		3.15
	432.76		326.70
Other Loans:			
Bank Borrowings	700.71		669.91
Bonds/Debentures	618.24		612.35
Others	491.55		467.68
	1,810.50		1,749.94
Unwinding of Discount	9.84		4.10
Others	128.53		25.12
	2,381.63		2,105.86
Interest Payments on Non Financial items:			
Unwinding of Discount	4.08		3.89
Others	1,109.59		1,435.82
	1,113.67		1,439.71
		3,495.30	3,545.57
Other Borrowing Cost		24.38	22.73
Applicable Net (Gain) / Loss on Foreign Currency Transactions and Translation		290.83	152.96
TOTAL		3,810.51	3,721.26
Total interest expense (calculated using the effective interest method) for financial liabilities that are not at fair value through profit or loss		2,381.63	2,105.86

NOTE-29: OTHER EXPENSES

(₹ in Crore)

Particulars		March-2018	March-2017
Consumption:			
a) Stores, Spares and Consumables	1,573.06		1,435.53
b) Packages & Drum Sheets	406.03		430.51
		1,979.09	1,866.04
Power & Fuel	20,420.51		17,060.18
Less : Fuel from own production	15,589.54		13,088.96
		4,830.97	3,971.22
Throughput, Processing & Blending Fees, Royalty and Other Charges		1,491.35	1,430.52
Octroi, Other Levies and Irrecoverable taxes		1,621.60	1,531.93
Repairs and Maintenance			
i) Plant & Equipment	3,050.18		2,382.99
ii) Buildings	295.97		330.91
iii) Others	513.94		500.42
		3,860.09	3,214.32
Freight, Transportation Charges and Demurrage		12,818.86	11,945.52
Office Administration, Selling and Other Expenses (Note "29.1")		6,402.30	12,884.49
TOTAL		33,004.26	36,844.04
Less: Company's use of own Products and Crude		645.07	934.31
		32,359.19	35,909.73
TOTAL (Net)		32,359.19	35,909.73

NOTE-29.1: OFFICE,ADMINISTRATION,SELLING AND OTHER EXPENSES

(₹ in Crore)

Particulars		March-2018	March-2017
Rent		**1,126.38**	680.38
Insurance		**120.30**	122.55
Rates & Taxes		**124.33**	92.76
Donations		**10.91**	3.00
Payment to auditors			
As Auditors	**2.77**		3.52
For Taxation Matters	**0.52**		0.35
Other Services(for issuing other certificates etc.)	**0.70**		1.20
For reimbursement of expenses	**0.38**		0.38
		4.37	5.45
Travelling & Conveyance		**676.10**	601.47
Communication Expenses		**65.58**	65.35
Printing & Stationery		**41.33**	40.99
Electricity & Water		**353.83**	312.49
Bank Charges		**30.45**	21.83
Advances & Claims written off		**2.54**	62.31
Provision/ Loss on Assets sold or written off (Net)		**160.77**	125.95
Technical Assistance Fees		**30.26**	23.66
Provision for Doubtful Debts, Advances, Claims, CWIP, Stores etc.		**367.31**	145.22
Provision for Diminution/Loss on Revaluation in Investments (net)		**-**	0.07
Security Force Expenses		**750.76**	521.25
Sales Promotion Expenses (Including Commission)		**341.45**	383.90
Handling Expenses		**515.71**	423.78
Expenses on Enabling Facilities		**0.36**	0.24
Commodity Hedging Losses (Net)		**31.79**	-
Terminalling Charges		**21.34**	21.37
Provision for Probable Contingencies		**-**	7,509.09
Exploration & Production Cost		**265.56**	301.63
Loss on Derivatives		**-**	146.54
Fair value Loss on Financial instruments classified as FVTPL		**-**	0.56
Amortisation of FC Monetary Item Translation		**111.13**	359.63
Expenses on Construction Contracts		**5.25**	11.35
Expenses on CSR Activities		**340.49**	216.88
Miscellaneous Expenses		**904.00**	684.79
TOTAL		**6,402.30**	**12,884.49**

NOTE-30: OTHER COMPREHENSIVE INCOME

(₹ in Crore)

Particulars		March-2018	March-2017
Items that will not be reclassified to profit and loss:			
Remeasurement of Defined Benefit Plans	**255.51**		(568.18)
Fair value of Equity Instruments	**(191.73)**		5,104.37
Share of Joint Ventures and associates in Remeasurement of Defined Benefit Plans	**0.65**		(2.70)
		64.43	4,533.49
Income Tax relating to items that will not be reclassified to profit and loss:			
Remeasurement of Defined Benefit Plans	**(88.57)**		196.69
Fair value of Equity Instruments	**444.02**		(12.54)
Share of Joint Ventures and associates in Remeasurement of Defined Benefit Plans	**(0.24)**		0.83
		355.21	184.98
Items that will be reclassified to profit and loss:			
Fair value of Debt Instruments	**(232.42)**		247.75
Translation Reserve on Consolidation	**721.18**		(208.87)
Share of Joint Ventures and associates in Translation Reserve on Consolidation	**(33.21)**		15.21
		455.55	54.09
Income Tax relating to items that will be reclassified to profit and loss:			
Fair value of Debt Instruments	**62.97**		(99.41)
		62.97	(99.41)
TOTAL		**938.16**	**4,673.15**

NOTE–31: DISTRIBUTIONS MADE AND PROPOSED

(₹ in Crore)

	March-2018	March-2017
Cash dividends on Equity Shares declared:		
Final dividend		
Total Final dividend during the current year for 31 March-2017: ₹ 1.00 per share (31 March 2016: ₹ 4.25 per share after restatement for bonus shares).	**485.59**	2,063.76
Less Final Dividend pertaining to IOC Share trust (refer Note-2)	**11.66**	49.54
Final dividend net of IOC share trust	**473.93**	**2,014.22**
DDT on final dividend	**47.90**	419.96
Interim dividend		
Total Interim dividend for 31 March-2018: ₹ 19.00 per share before bonus issue (31 March-2017: ₹ 18.00 per share).	**9,226.22**	8,740.63
Less Interim Dividend pertaining to IOC Share trust (refer Note-2)	**221.46**	209.81
Interim dividend net of IOC share trust	**9,004.76**	**8,530.82**
DDT on interim dividend	**1,873.27**	1,757.13
Total	**11,399.86**	**12,722.13**
Proposed dividends on Equity shares		
Final proposed dividend for 31 March-2018: ₹ 2.00 per share (31 March-2017: ₹ 0.50 per share after adjustment of bonus issue). The dividend per share without restatement of bonus shares for 31 March-2017 is ₹ 1.00 per share.	**1,942.36**	485.59
Less Proposed Dividend pertaining to IOC Share trust (refer Note-2)	**46.64**	11.66
Final proposed dividend net of IOC share trust	**1,895.72**	473.93
DDT on proposed dividend	**399.26**	47.90
	2,294.98	**521.83**

Notes

1. Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at 31 March-2018.
2. Shares held under IOC Share Trust of face value ₹233.12 crore (Pre-bonus ₹ 116.56 crore) has been netted off from paid up capital.
3. The Company has also incurred expenses on distribution of final dividend amounting to ₹ 0.13 crore (2017: ₹ 0.12 crore) and on distribution of interim dividend amounting to ₹ 0.14 crore (2017: ₹ 0.26 crore) which has been debited to equity.

NOTE–32: EARNINGS PER SHARE (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

The following reflects the profit and number of shares used in the basic and diluted EPS computations:

(₹ in Crore)

Particulars	March-2018	March-2017
Profit attributable to equity holders	**22,189.45**	19,849.49
Weighted Average number of equity shares used for computing Earning Per Share (Basic)	**94,786,914,72**	94,786,914,72
Weighted Average number of equity shares used for computing Earning Per Share (Diluted)	**94,786,914,72**	94,786,914,72
Earning Per Share (Basic) (₹)	**22.52**	20.16
Earning Per Share (Diluted) (₹)	**22.52**	20.16
Face value per share (₹)	**10.00**	10.00

Notes

1. Equity Shares held under IOC Share Trust of face value ₹233.12 crore (Pre-bonus ₹116.56 crore) has been netted off from weighted average number of equity shares and EPS is worked out accordingly.
2. Pursuant to the approval of the shareholders, the company has issued bonus shares in the ratio of one Equity Shares of ₹10/- each for one existing equity share of ₹10/- each in March-2018. Accordingly, earnings per share (EPS) (basic and diluted) of FY 2016-17 have been adjusted on account of bonus shares.

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	
			March-2018	March-2017
Chennai Petroleum Corporation Limited	Refining of petroleum products	India	**51.89%**	51.89%
Indian Catalyst Private Limited	Manufacturing of FCC catalyst / additive	India	**100.00%**	100.00%
IndianOil (Mauritius) Ltd.	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	Sweden	**100.00%**	100.00%
IOCL (USA) Inc.	Participation in Shale Gas Asset Project	USA	**100.00%**	100.00%
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	Singapore	**100.00%**	100.00%

The Holding Company

56.98% of total shares are held by President of India as at March 31, 2018 (31 March 3017: 57.34%)

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	March-2018	March-2017
Chennai Petroleum Corporation Limited	India	**48.11%**	48.11%
Lanka IOC PLC	Sri Lanka	**24.88%**	24.88%

2. Information Regarding None - Controlling Intrest : (₹ in Crore)

	March-2018	March-2017
Accumulated balances of material non-controlling interest:		
Chennai Petroleum Corporation Limited	**1,922.93**	1,655.56
Lanka IOC PLC	**228.29**	249.00
Profit/(loss) allocated to material non-controlling interest:		
Chennai Petroleum Corporation Limited	**446.07**	505.57
Lanka IOC PLC	**(9.17)**	30.34

NOTE–33A: GROUP INFORMATION AND MATERIAL PARTLY-OWNED SUBSIDIARIES (CONTD...)

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	
	March-2018	March-2017	March-2018	March-2017
Current assets	**6,687.88**	4,659.62	**965.18**	692.87
Current liabilities	**9,038.26**	5,659.75	**567.76**	193.57
Non-current assets	**7,618.14**	6,963.27	**520.98**	509.06
Non-current liabilities	**1,270.77**	2,522.04	**0.83**	7.57
Net assets	**3,996.99**	**3,441.10**	**917.57**	**1,000.79**
Accumulated Non-Controlling Interests	**1,922.93**	1,655.56	**228.29**	249.00

2. Summarised Statement of Profit and Loss: (₹ in Crore)

	Chennai Petroleum Corporation Limited		Lanka IOC PLC	
	March-2018	March-2017	March-2018	March-2017
Revenue From Operations	**44,189.18**	40,607.39	**3,849.40**	3,691.56
Other Income	**30.78**	20.89	**53.91**	32.29
Cost of Material Consumed	**29,313.45**	24,255.78	**-**	-
Excise Duty	**11,661.19**	12,915.98	**-**	-
Purchases of Stock in trade	**400.62**	159.57	**3,988.59**	3,257.12
Changes in inventories of finished goods, stock-in-trade and work in progress	**(606.67)**	105.54	**(216.82)**	128.98
Employee Benefits Expense	**581.75**	512.89	**21.04**	23.42
Finance Costs	**320.86**	272.79	**9.79**	9.15
Depreciation and amortization expense	**340.20**	278.64	**15.14**	14.92
Impairment Losses	**4.33**	61.79	**-**	-
Net Loss on de-recognition of financial assets at amortised cost	**-**	-	**-**	-
Other Expenses	**751.24**	706.83	**123.79**	144.05
Profit before exceptional items and tax	**1,452.99**	1,358.47	**(38.22)**	146.21
Exceptional Items	**-**	-	**-**	-
Share of Profit of Joint Ventures/Associates	**19.54**	27.63	**-**	-
Profit/(loss) before tax	**1,472.53**	1,386.10	**(38.22)**	146.21
Tax expense	**545.31**	335.29	**(1.31)**	24.32
Profit (Loss) for the period	**927.22**	**1,050.81**	**(36.91)**	**121.89**
Other Comprehensive Income	**6.26**	(5.68)	**(18.33)**	(48.29)
Total comprehensive income	**933.48**	1,045.13	**(55.24)**	73.60
Attributable to Non-Controlling Interests	**446.07**	505.57	**(9.17)**	30.34
Dividends paid to Non-Controlling Interests	**150.44**	28.65	**6.95**	7.50

3. Summarised Cash Flow Information: (₹ in Crore)

	Chennai Petroleum Corporation Limited		Lanka IOC PLC	
	March-2018	March-2017	March-2018	March-2017
Operating Activities	**2,756.69**	608.74	**(115.12)**	69.23
Investing Activities	**(969.20)**	(1,169.31)	**(35.82)**	(277.00)
Financing Activities	**(1,787.71)**	560.74	**145.79**	(90.26)
Currency Translation Difference	**-**	-	**(0.49)**	(5.84)
Net increase/(decrease) in Cash and Cash Equivalents	**(0.22)**	0.17	**(5.64)**	(303.87)

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			
IOT Infrastructure & Energy Services Limited	India	49.38%	500.53
Lubrizol India Private Limited	India	26.00%	153.20
Indian Oil Petronas Private Limited	India	50.00%	509.74
Green Gas Limited	India	49.97%	81.64
Indian Oil Skytanking Private Limited	India	50.00%	71.80
Suntera Nigeria 205 Ltd.	Nigeria	25.00%	-
Delhi Aviation Fuel Facility Private Limited	India	37.00%	75.85
Indian Synthetic Rubber Private Limited	India	50.00%	72.03
Indian Oil Ruchi Biofuels LLP	India	50.00%	-
NPCIL - IndianOil Nuclear Energy Corporation Limited	India	26.00%	0.32
GSPL India Transco Limited	India	26.00%	100.39
GSPL India Gasnet Limited	India	26.00%	101.74
IndianOil Adani Gas Private Limited	India	50.00%	116.95
Mumbai Aviation Fuel Farm Facility Private Limited	India	25.00%	55.83
Kochi Salem Pipelines Private Limited	India	50.00%	71.31
IndianOil LNG Private Limited	India	50.00%	276.81
IndianOil Panipat Power Consortium Limited	India	50.00%	-
Petronet CI Limited (under liquidation)	India	26.00%	-
Hinduatan Urvarak and Rasayan Limited	India	29.67%	332.16
Ratnagiri Refinery & Petrochemicals Limited	India	50.00%	40.59
Associates			
Avi-Oil India Private Limited	India	25.00%	14.62
Petronet VK Limited	India	50.00%	0.02
Petronet LNG Limited	India	12.50%	1,226.41
Petronet India Limited	India	18.00%	0.49

Note - 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.

B. Summarised Financials of Material Joint Venture:

I. Summarised Balance Sheet of M/s IOT Infrastructure & Energy Services Limited:

(₹ in Crore)

Particulars	March-2018	March-2017
Current assets	**949.05**	1,058.96
Current liabilities	**784.90**	918.27
Non-current assets	**3,319.46**	3,464.12
Non-current liabilities	**2,471.83**	2,682.94

Particulars	March-2018	March-2017
Net assets	**1,011.78**	921.87
Proportion of the Group's ownership	**499.65**	454.85
Carrying amount of the investment	**500.53**	455.73
The above amounts of assets and liabilities include the followings		
Cash and cash equivalents	**50.54**	79.21
Current Financial Liabilities	**562.44**	661.67
Non-current financial liabilities	**2,392.41**	2,587.58

II. Summarised Statement of Profit and Loss of M/s IOT Infrastructure & Energy Services Limited:

(₹ in Crore)

Particulars	March-2018	March-2017
Revenue From Operations	**605.50**	1,159.82
Other Income	**130.41**	82.30
Revenue From Operations	**735.91**	**1,242.12**
Cost of Material/Service Consumed	**29.32**	331.58
Employee Benefits Expense	**80.47**	120.58
Finance Costs	**265.27**	321.26
Depreciation and amortization expense	**30.70**	51.83
Other Expenses	**181.35**	366.82
Profit/(loss) Before tax	**148.80**	**50.05**
Tax expense:		
Current Tax	**13.63**	9.44
Deferred Tax	**(21.24)**	(16.22)
Profit (Loss) for the year	**156.41**	**56.83**
Other Comprehensive Income	**(65.67)**	26.00
Total comprehensive income	**90.74**	**82.83**
Group's Share in above:		
Profit (Loss) for the period	**77.24**	37.50
Other Comprehensive Income	**(32.40)**	12.83
Total comprehensive income	**44.84**	40.87
Dividend received	-	-

C. Summarised Financials of Material Associates:

I. Summarised Balance Sheet of M/s Petronet LNG Limited:

(₹ in Crore)

Particulars	March-2018	March-2017
Current assets	**7,027.10**	4,902.63
Current liabilities	**2,860.22**	2,162.67
Non-current assets	**8,717.43**	9,010.96
Non-current liabilities	**3,073.02**	3,572.53
Net assets	**9,811.29**	8,178.39
Proportion of the Group's ownership	**1,226.41**	1,022.30
Carrying amount of the investment	**1,226.41**	1,022.30

Particulars	March-2018	March-2017
The above amounts of assets and liabilities include the followings		
Cash and cash equivalents	**855.30**	320.99
Current Financial Liabilities	**2,401.34**	1,829.40
Non-current financial liabilities	**733.41**	1,450.03

II. Summarised Statement of Profit and Loss of M/s Petronet LNG Limited:

(₹ in Crore)

Particulars	March-2018	March-2017
Revenue From Operations	**30,598.62**	24,616.03
Other Income	**317.40**	346.64
Revenue From Operations	**30,916.02**	**24,962.67**
Cost of Material/Service Consumed	**26,690.19**	21,416.92
Employee Benefits Expense	**91.20**	73.86
Finance Costs	**162.99**	209.65
Depreciation and amortization expense	**411.65**	369.07
Other Expenses	**472.29**	515.52
Profit/(loss) Before tax	**3,087.70**	2,377.65
Tax expense:		
Current Tax	**659.31**	512.88
Deferred Tax	**317.95**	141.64
Profit (Loss) for the year	**2,110.44**	**1,723.13**
Other Comprehensive Income	**0.52**	(1.79)
Total comprehensive income	**2,110.96**	**1,721.34**
Group's Share in above:		
Profit (Loss) for the period	**263.81**	215.39
Other Comprehensive Income	**0.07**	(0.22)
Total comprehensive income	**263.88**	215.17
Dividend received	**46.88**	23.44

D. Details in respect of Immaterial Joint Venture & Associates:

(₹ in Crore)

Particulars	March-2018	March-2017
Carrying Amount of Investments		
Joint Ventures	**2,060.36**	1,540.02
Associates	**15.13**	31.76
Aggregate amounts of the group's share of immaterial Joint Ventures:		
Share of Profits After Tax	**204.39**	258.01
Other comprehensive income	**(0.10)**	0.75
Total comprehensive income	**204.29**	258.76
Aggregate amounts of the group's share of immaterial Associates:		

Particulars	March-2018	March-2017
Share of Profits After Tax	**3.08**	13.40
Other comprehensive income	**0.01**	(0.03)
Total comprehensive income	**3.09**	13.37

E. Group's share in Capital Commitments and Contingent Liabilities in respect of Joint Venture & Associates is as under:

(₹ in Crore)

Particular	March-2018	March-2017
Joint Venture		
Capital Commitments	**1,014.71**	1,449.33
Contingent Liabilities	**554.32**	361.71
Associates		
Capital Commitments	**21.31**	39.97
Contingent Liabilities	**90.90**	77.47

NOTE–34: INTEREST IN JOINT OPERATIONS

	Principle place of business	Proportion of ownership interest	
		March-2018	March-2017
The Group`s interest in joint operations is as under			
E&P BLOCKS			
1) MN-OSN-2000/2#	India	**20.00%**	20.00%
2) AA-ONN-2001/2@	India	**20.00%**	20.00%
3) GK-OSN-2009/1**	India	**25.00%**	25.00%
4) GK-OSN-2009/2	India	**30.00%**	30.00%
5) CB-ONN-2010/6	India	**20.00%**	20.00%
6) AAP-ON-94/1	India	**29.03%**	29.03%
7) BK-CBM-2001/1	India	**20.00%**	20.00%
8) NK-CBM-2001/1	India	**20.00%**	20.00%
9) FARSI BLOCK IRAN^	Iran	**40.00%**	40.00%
10) LIBYA BLOCK 86#	Libya	**50.00%**	50.00%
11) LIBYA BLOCK 102/4#	Libya	**50.00%**	50.00%
12) SHAKTHI GABON	Gabon	**50.00%**	50.00%
13) YEMEN 82*	Yemen	**Relinquished**	15.00%
14) AREA 95-96~	Libya	**25.00%**	25.00%
15) North Monteny Joint Venture	Canada	**10.00%**	10.00%
16) Niobrara Shale Project	USA	**10.00%**	10.00%
OTHERS			
17) INDOIL Netherlands B.V.	Netherlands	**50.00%**	50.00%
18) Petroleum Indian International	India	**36.36%**	36.36%

*Block Yemen 82 relinquished during 2017-18

** Participating interest changed to 25% for exclusive operations in Appraisal phase on account of non participation by GSPC

^ The project 's exploration period ended on 24 June 2009. Negotiations with Iranian Authorities are in progress for development of the Block

Blocks are under relinquishment.

~ Under Force Majeure since 20.05.2014

@ Exploration License expired on 07.10.2015 and approval of entry into Appraisal phase awaited from MoP&NG through DGH.

B. The Group share of financial position of joint operations is as under:

(₹ in Crore)

	March-2018	March-2017
Assets	**8,337.66**	**8,205.65**
- PPE (Including Producing properties)	**4,119.17**	3,928.19
- Capital Work in Progress	**54.73**	94.34
- Intangible asset under development (Net of Provisions)	**3,553.53**	3,540.34
- Other Assets	**610.23**	642.77
Liabilities & Provisions	**2,434.49**	**786.81**
- Liabilities	**2,265.06**	620.33
- Provisions	**169.43**	166.48
Income	**740.93**	**359.04**
- Sale of products (Net on own consumption)	**286.29**	347.60
- Other Income	**454.64**	11.44
Expenditure	**578.72**	**656.74**
- Expenditure written off (including exploration related)	**6.57**	29.69
- Other costs (including exploration related)	**572.15**	627.06
Commitments	**782.45**	870.57
Contingment liabilities	-	0.13

NOTE–35: DISCLOSURE RELATING EXPLORATION AND PRODUCTION ACTIVITIES

A. 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.) is as under:

(₹ in Crore)

	Name	March-2018	March-2017
(i)	**Assets**	**204.92**	**308.15**
	- Property, plant and equipment	-	-
	- Intangible assets	-	-
	- Intangible assets under development	**196.68**	275.06
	- Capital Work in Progress	**0.73**	0.83
	- Other Assets	**7.51**	32.26
(ii)	**Liabilities**	**98.58**	**109.93**
	- Trade payables	-	-
	- Provisions	**2.31**	2.34
	- Other liabilities	**96.27**	107.59
(iii)	**Income**	**0.39**	**-**
	- Sale of crude oil	-	-
	- Sale of natural gas	-	-
	- Condensate etc.	-	-
	- Other Income	**0.39**	-
(iv)	**Expenses**	**39.74**	**90.61**
	- Exploration expenditure written off	**1.44**	26.61
	- Other exploration costs	**38.30**	64.00
(v)	**Cash flow**		
	- Net cash from/(used) in operating activities	**(24.52)**	(78.54)
	- Net cash from/(used) in investing activities	**82.63**	(2.22)

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:

(₹ in Crore)

Assets		March-2018		March-2017	
		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	**92.63**	**15.12**	80.41	16.45
	Addition/(Reduction)	**32.48**	**12.79**	31.19	6.89
	Production	**18.70**	**8.37**	18.97	8.22
	Balance	**106.41**	**19.54**	**92.63**	**15.12**
North Montney Joint Venture (Also Refer Note 48)	Begining	**1,467.77**	**20,461.76**	1,183.88	17,420.68
	Addition/(Reduction)	**(754.75)**	**(11,815.81)**	322.69	3,618.72
	Production	**30.06**	**482.66**	38.80	577.64
	Balance	**6,82.96**	**8,163.29**	**1,467.77**	**20,461.76**
Assam AAP-ON-94/1*	Begining	**48.34**	**1730.51**	0.00	0.00
	Addition/(Reduction)	**0.00**	**0.00**	0.00	0.00
	Production	**0.92**	**15.25**	0.00	0.00
	Balance	**47.42**	**1,715.26**	**0.00**	**0.00**
Total Proved Reserves		**836.79**	**9,898.09**	1,560.40	20,476.88
B) Proved developed Reserves					
Niobrara Shale Project, USA	Begining	**61.94**	**11.41**	71.07	14.95
	Addition/(Reduction)	**26.55**	**10.67**	9.84	4.68
	Production	**18.70**	**8.37**	18.97	8.22
	Balance	**69.79**	**13.71**	**61.94**	**11.41**
North Montney Joint Venture (Also Refer Note 48)	Begining	**283.71**	**3,753.95**	239.82	3,570.19
	Addition/(Reduction)	**(20.85)**	**117.15**	82.68	761.40
	Production	**30.06**	**482.66**	38.80	577.64
	Balance	**232.80**	**3,388.44**	**283.70**	**3,753.95**
Assam AAP-ON-94/1*	Begining	**48.34**	**1,384.41**	0.00	0.00
	Addition/(Reduction)	**0.00**	**0.00**	0.00	0.00
	Production	**0.92**	**15.25**	0.00	0.00
	Balance	**47.42**	**1369.16**	**0.00**	**0.00**
Total Proved developed Reserves		**350.01**	**4,771.31**	**345.64**	**3,765.36**

*During the year, Dirok field of Pre-NELP block AAP-ON-94/1 commenced production of gas and condensate on 26th August 2017 having producing life cycle of 20 years. Indian Oil has the participating interest of 29.03% in the block.

Net Proved Reserves & Proved developed Reserves of Crude Oil, Condensate, Natural Gas Liquids and Gason geographical Basis:

(₹ in Crore)

Details	March-2018		March-2017	
	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.	**106.41**	**19.54**	92.63	15.12
Canada	**682.96**	**8,163.29**	1,467.77	20,461.76
India	**47.42**	**1,715.26**	0.00	0.00
Total Proved Reserves	**836.79**	**9,898.09**	**1,560.40**	**20,476.88**
B) Proved developed Reserves				
U.S.	**69.79**	**13.71**	61.94	11.41
Canada	**232.80**	**3,388.44**	283.70	3,753.95
India	**47.42**	**1,369.16**	0.00	0.00
Total Proved developed Reserves	**350.01**	**4,771.31**	**345.64**	**3,765.36**

Frequency

The company 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 company. 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

Provident Fund (EPS-95)

During the year, the Group has recognised ₹ 42.00 crore (2017 : ₹ 42.16 crore) as contribution to EPS-95 in the Statment 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 ₹ 538.83 crore (2017 : ₹ 376.99 crore) towards Defined Contributory Employees Pension Scheme in the Statment 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 is remitted to separate provident fund trusts established for this purpose based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss. Shortfall, if any, in the fund assets, based on the Government specified minimum rate of return, will be made good by the Group. The Group has three Provident Funds maintained by respective PF Trusts in respect of which actuarial valuation is carried out and all three trusts do not have any deficit as on 31st March-2018.

Gratuity:

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the eiligible salary for every completed year 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%.

Post Retirement Medical Scheme (PRMS):

PRMS provides medical benefit to retired employees and eligible dependant family members.

Resettlement Allowance:

Resettlement allowance is paid to employees to permanently settle down at a place other than the location of last posting at the time of retirement.

Ex gratia:

Ex-gratia is payable to those employees who have retired before 01-11-1987 and not covered under the pension scheme. Further, for employees who have retired on or after 01-11-1987 and their entitlement under the pension scheme is less than applicable amount under Ex- Gratia Scheme, such employees are also eligible to the extent of shortfall or difference under Ex-gratia scheme. The scheme of ex-gratia has been restricted to cover only those eligible employees who have retired upto 31.12.06, and not thereafter.

Staff Pension fund at AOD:

The Fund is maintained for disbursement of pension to Officers who have joined erstwhile Assam Oil Company before 14-10-1981 and opted to continue the benefit of pension as existing prior to takeover. The Group is managing the fund after takeover of the erstwhile Assam Oil Group in the name of IOCL(AOD) Staff Pension Fund.

Workmen Compensation:

The Group pays an equivalent amount of 100 months' salary to the family member of the employee if employee dies while he is on duty. This scheme is not funded by the Group. The liability originates out of the Workmen compensation Act and Factory Act.

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 HPL) at the end of every six months. The entire accumulation is permitted for encashment only at the time of retirement. DPE had clarified 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. MOP&NG has advised the company to comply with the DPE Guidelines. However, keeping in view operational complications and service agreements the company has continued with the present practice and requested concerned authorities to reconsider the matter.

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 duration of service completed.

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	Staff Pension Fund at AOD	PRMS	Resettlement Allowance	Ex-Gratia	Gratuity
	Funded	Funded	Funded	Funded	Non-Funded	Non - Funded	Non-Funded	Non-Funded
Defined Obligation at the beginning	**11,756.18** *10,682.93*	**1,523.44** *1,503.86*	**4,322.03** *3,515.28*	**2.85** *4.31*	**59.66** *50.37*	**87.58** *82.02*	**198.42** *197.28*	**2.82** *2.89*
Current Service Cost	**420.95** *369.33*	**21.66** *11.91*	**197.94** *168.24*	**0.06** *0.12*	**3.32** *0.97*	**13.96** *13.52*	- -	**0.15** *0.10*
Past Service Cost	- -	**1,354.35** -	- -	- -	**103.77** -	**40.78** -	- -	- -
Interest Cost	**1,159.20** *935.13*	**111.04** *119.73*	**321.99** *283.33*	**0.12** *0.25*	**4.45** *3.98*	**6.38** *6.53*	**14.90** *15.41*	**0.36** *0.36*
Contribution by employees	**1,014.48** *829.06*	- -	- -	- -	- -	- -	- -	- -
Net Liability transferred In / (Out)	**68.01** *64.88*	- -	- -	- -	- -	- -	- -	- -
Benefits paid	**(1,101.01)** *(1,125.15)*	**(154.67)** *(170.96)*	**(180.16)** *(174.74)*	**(1.82)** *(1.77)*	**(3.49)** *(2.46)*	**(6.16)** *(7.31)*	**(27.32)** *(28.76)*	**(0.14)** (0.26)
Actuarial (gain)/ loss on obligations	- -	**(55.61)** *58.90*	**(99.86)** *529.92*	**0.02** *(0.06)*	**(3.40)** *6.80*	**(20.20)** *(7.18)*	**4.55** *14.49*	**0.49** *(0.27)*
Defined Benefit Obligation at the end of the year	**13,317.81** *11,756.18*	**2,800.21** *1,523.44*	**4,561.94** *4,322.03*	**1.23** *2.85*	**164.31** *59.66*	**122.34** *87.58*	**190.55** *198.42*	**3.68** *2.82*

(II) Reconciliation of balance of Fair Value of Plan Assets

(₹ in Crore)

	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD	PRMS	Resettlement Allowance	Ex-Gratia	Gratuity
	Funded	Funded	Funded	Funded	Non-Funded	Non - Funded	Non-Funded	Non-Funded
Fair Value of Plan Assets at the beginning of the year	**12,122.32** *11,045.14*	**1,923.12** *1,930.21*	**3,702.41** *2,463.84*	**2.87** *4.32*	- -	- -	- -	- -
Interest Income	**1,159.20** *935.13*	**140.17** *153.67*	**275.83** *198.59*	**0.12** *0.25*	- -	- -	- -	- -
Contribution by employer	**420.95** *369.33*	- -	**772.23** *1,189.23*	- -	- -	- -	- -	- -
Contribution by employees	**1,014.48** *829.06*	- -	**1.18** *1.34*	- -	- -	- -	- -	- -
Net Liability transferred In / (Out)	**68.01** *64.88*	- -	- -	- -	- -	- -	- -	- -
Benefit paid	**(1,101.01)** *(1,125.15)*	**(154.67)** *(170.96)*	**(180.16)** *(174.74)*	**(1.82)** *(1.77)*	- -	- -	- -	- -
Re-measurement (Return on plan assets excluding Interest Income)	**(99.29)** *3.93*	**10.76** *10.20*	**70.74** *24.15*	**0.07** *0.07*	- -	- -	- -	- -
Fair value of plan assets at the end of the year	**13,584.66** *12,122.32*	**1,919.38** *1,923.12*	**4,642.23** *3,702.41*	**1.24** *2.87*	- -	- -	- -	- -

(iii) Reconciliation of Fair Value of Plan Assets and Defined Benefit Obligation

(₹ in Crore)

	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD	PRMS	Resettlement Allowance	Ex-Gratia	Gratuity
	Funded	Funded	Funded	Funded	Non-Funded	Non - Funded	Non-Funded	Non-Funded
Fair Value of Plan Assets at the end of the year	**13,584.66** *12,122.32*	**1,919.38** *1,923.12*	**4,642.23** *3,702.41*	**1.24** *2.87*	- -	- -	- -	- -
Defined Benefit Obligation at the end of the year	**13,317.81** *11,756.18*	**2,800.21** *1,523.44*	**4,561.94** *4,322.03*	**1.23** *2.85*	**164.31** *59.66*	**122.34** *87.58*	**190.55** *198.42*	**3.68** *2.82*
Amount not recognised in the Balance Sheet (as per para 64 of Ind-As 19)	**(266.85)** *(366.14)*	- -	- -	- -	- -	- -	- -	- -
Amount recognised in the Balance Sheet	- -	**880.83** *(399.68)*	**(80.29)** *619.62*	**(0.01)** *(0.02)*	**164.31** *59.66*	**122.34** *87.58*	**190.55** *198.42*	**3.68** *2.82*

(iv) Amount recognised in Statement of Profit and Loss / Construction Period Expenses (₹ in Crore)

	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD	PRMS	Resettlement Allowance	Ex-Gratia	Gratuity
	Funded	**Funded**	**Funded**	**Funded**	**Non-Funded**	**Non -Funded**	**Non-Funded**	**Non-Funded**
Current Service Cost	**420.95** *369.33*	**21.66** *11.91*	**197.94** *168.24*	**0.06** *0.12*	**3.32** *0.97*	**13.96** *13.52*	- -	**0.15** *0.10*
Past Service Cost	- -	**1,354.35** -	- -	- -	**103.77** -	**40.78** -	- -	- -
Net Interest Cost	- -	**(29.13)** *(33.94)*	**46.16** *84.74*	- -	**4.45** *3.98*	**6.38** *6.53*	**14.90** *15.41*	**0.36** *0.36*
Contribution by Employees	- -	- -	**(1.18)** *(1.34)*	- -	- -	- -	- -	- -
Expenses for the year	**420.95** *369.33*	**1,346.88** *(22.03)*	**242.92** *251.64*	**0.06** *0.12*	**111.54** *4.95*	**61.12** *20.05*	**14.90** *15.41*	**0.51** *0.46*

The Past service cost in respect of Gratuity includes ₹1,322.91 crore for which provisional liability has already been provided during previous year.

v) Amount recognised in Other Comprehensive Income (OCI) (₹ in Crore)

	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD	PRMS	Resettlement Allowance	Ex-Gratia	Gratuity
	Funded	**Funded**	**Funded**	**Funded**	**Non-Funded**	**Non - Funded**	**Non-Funded**	**Non-Funded**
Actuarial (gain)/ loss on Obligations - Due to change in assumptions	- -	**(86.61)** *64.38*	**192.00** *577.13*	- *0.03*	**(3.40)** *6.80*	**(7.62)** *6.67*	**4.55** *2.47*	**(0.20)** *(0.47)*
Actuarial (gain)/ loss on Obligations - Due to Experience	- -	**31.00** *(5.48)*	**(291.86)** *(47.21)*	**0.02** *(0.09)*	- -	**(12.58)** *(13.85)*	- *12.02*	**0.69** *0.20*
Re-measurement (Return on plan assets excluding Interest Income)	- -	**10.76** *10.20*	**70.74** *24.15*	**0.07** *0.07*	- -	- -	- -	- -
Net Loss / (Gain) recognized in OCI	- -	**(66.37)** *48.70*	**(170.60)** *505.77*	**(0.05)** *(0.13)*	**(3.40)** *6.80*	**(20.20)** *(7.18)*	**4.55** *14.49*	**0.49** *(0.27)*

(vi) Major Actuarial Assumptions (₹ in Crore)

	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD	PRMS	Resettlement Allowance	Ex-Gratia	Gratuity
	Funded*	Funded*	Funded*	Funded*	Non-Funded	Non-Funded*	Non-Funded*	Non-Funded
Discount rate	**7.78%**	**7.78%**	**7.76%**	**6.60%**	**7.76%**	**7.78%**	**7.82%**	**11.50%**
	7.29%	*7.29%*	*7.45%*	*6.40%*	*7.45%*	*7.29%*	*7.51%*	*13.00%*
Salary escalation	-	**8.00%**	-	**8.00%**	-	-	-	**1-6%**
	-	*8.00%*	-	*8.00%*	-	-	-	*2-8%*
Inflation	-	-	**8.00%**	-	**7.00%**	**6.00%**	-	-
	-	-	*7.00%*	-	*7.00%*	*6.00%*	-	-
Average Expected Future Service/ Obligation (Years)	-	**15**	**30**	**2**	**16**	**15**	**9**	**14**
	-	*15*	*30*	*2*	*16*	*15*	*11*	-

*Assumptions considered in actuarial valuation of defined benefit obligations of the Holding Company.

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.

(vii) Sensitivity on Actuarial Assumptions: (₹ in Crore)

Loss/ (Gain) for:	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD	PRMS	Resettlement Allowance	Ex-Gratia	Gratuity
	Funded	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded	Non-Funded
Change in Discounting Rate								
Increase by 1%	-	**(152.78)**	**(607.15)**	**(0.01)**	**(24.68)**	**(13.34)**	**(7.34)**	**(0.15)**
	-	*(99.78)*	*(564.54)*	*(0.03)*	*(9.35)*	*(9.62)*	*(10.23)*	*(0.15)*
Decrease by 1%	-	**175.66**	**790.46**	**0.01**	**27.98**	**16.66**	**8.04**	**0.17**
	-	*107.36*	*730.89*	*0.03*	*10.64*	*11.96*	*6.03*	*0.17*
Change in Salary Escalation								
Increase by 1%	-	**39.82**	-	**0.01**	-	-	-	**0.18**
	-	*11.20*	-	*0.03*	-	-	-	*0.18*
Decrease by 1%	-	**(44.51)**	-	**(0.01)**	-	-	-	**(0.17)**
	-	*(13.26)*	-	*(0.03)*	-	-	-	*(0.17)*
Change in Inflation Rate								
Increase by 1%	-	-	**467.36**	-	**28.26**	-	-	-
	-	-	*413.09*	-	*10.71*	-	-	-
Decrease by 1%	**-**	**-**	**(383.10)**	**-**	**(25.10)**	-	-	-
	-	**-**	*(340.75)*	**-**	*(9.49)*	-	-	-

(viii) Investment details:

	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD
	Funded	Funded	Funded	Funded
Investment with Insurer	-	**98.45%**	**93.95%**	**97.27%**
	-	*97.33%*	*92.28%*	*97.27%*
Self managed investments	**100.00%**	**1.55%**	**6.05%**	**2.73%**
	100.00%	*2.67%*	*7.72%*	*2.73%*

Details of the investment pattern for the above mentioned funded obligations is as under:

	Provident Fund	Gratuity	PRMS	Staff Pension Fund at AOD
	Funded	Funded	Funded	Funded
Government Securities (Central & State)	**44.12%**	**68.24%**	**65.19%**	**2.73%**
	43.57%	*60.84%*	*56.52%*	*2.73%*
Investment in Equity / Mutual Funds	**4.68%**	**5.40%**	**5.18%**	-
	2.06%	*6.87%*	*6.38%*	-
Investment in Debentures / Securities	**41.23%**	**22.69%**	**25.57%**	-
	43.76%	*27.57%*	*31.80%*	-
Other approved investments (incl. Cash)	**9.96%**	**3.66%**	**4.06%**	**97.27%**
	10.62%	*4.72%*	*5.30%*	*97.27%*

(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	Staff Pension Fund at AOD	PRMS	Resettlement Allowance	Ex-Gratia	Total
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded	
Within next 12 Months	**507.04**	**183.81**	**0.02**	**4.19**	**9.01**	**33.03**	**737.10**
	293.92	*173.28*	*0.99*	*1.37*	*5.66*	*29.51*	*504.73*
Between 2 to 5 Years	**1,142.29**	**780.53**	**1.36**	**23.20**	**33.17**	**106.74**	**2,087.29**
	1,036.29	*798.10*	*2.26*	*7.49*	*22.51*	*93.76*	*1,960.41*
Between 6 to 10 Years	**1,168.56**	**1,098.67**	-	**47.12**	**43.84**	**82.83**	**2,441.02**
	1,117.06	*1,210.26*	-	*15.90*	*32.38*	*70.03*	*2,445.63*

Note:

1. General Description of the defined beenfit plans applicable to the Holding Company.

NOTE–37: COMMITMENTS AND CONTINGENCIES

A. LEASES

(a) Operating lease — as Lessee

(i) Lease Rentals charged to the Statement of profit and loss and maximum obligations on long term non-cancellable operating leases payable as per the rentals stated in the respective lease agreements/ arrangements

(₹ in Crore)

Lease Rentals for Non-Cancellable operating leases	March-2018	March-2017
(a) Lease rentals recognized during the year (incl. applicable cases as per (iii) below)	**8228.94**	7935.34
(b) Lease Obligations		
Within one year	**6810.15**	7509.18
After one year but not more than five years	**9942.26**	16243.41
More than five years	**637.25**	842.05

These relate to storage tankage facilities for petroleum products, BOO contract for Nitrogen and Hydrogen Plant, QC labarotary at Paradip Refinery, land leases and various other leases in substance as mentioned in (iii) below.

(ii) The Group has taken certain assets (including lands,office/residential premises) on Operating Lease which are cancellable by giving appropriate notice as per the respective agreements incl. applicable cases as per (iii) below. During the current year, ₹1051.84 crore (2017: ₹384.33 crore) has been paid towards cancellable Operating Lease. Also refer Note 1B for more details on judgements made for lease classification in case of lands .

(iii) Leases in substance (Operating lease: Group as lessee)

The Group has entered into some contracts which are in substance operating lease contracts. Currently, the Group has booked payment made under these contracts as expenses in the statement of profit and loss. The details in respect of material operating lease arrangements are as under:

(a) The Group has entered into various agreements with transporters for the movement of petroleum products for different tenures. Under these agreements, specific trucks are identified that are used exclusively for the transport operations of the Group only.

(b) The Group has entered into agreements with vessel owners for hiring of vessels for different tenures. Specified vessels are identified in the agreement with reference to the name and description of vessel, which can only be used. Such vessels are dedicated for the Group's use only for the entire period of arrangement. Further, during the lease period, the owner can let out the specific vessel to any third party only after obtaining The Group's permission. Hence this arrangement is classified as lease as per Appendix C to Ind AS 17.

(c) BOO agreement with Air Liquide Industries is for supply of oxygen and nitrogen at Panipat Refinery for a period of 18 years. The land is owned by the group and the plant is being operated by contractor for supply of oxygen and nitrogen to the Group. There is a commitment to pay monthly minimum amount as per the agreement. The Group shall always have first right of use of Nitrogen & Oxygen manufactured at the plant. Nitrogen gas manufactured by the contractor is mainly supplied to the Group. Hence this arrangement is classified as lease as per Appendix C to Ind AS 17.

Details of expenses booked under various arrangements are as under:

(₹ in Crore)

Operating Lease cases under Appendix C of Ind-AS-17	March-2018	March-2017
Processing Fee under the head "Other expenses" in relation to lubricants filling arrangement	**0.19**	0.23
Handling expense under the head "Other expenses" in relation to CFA arrangement	**38.48**	39.53
Freight and transportation charges under the head "Other Expenses" in relation to arrangement with transporters	**7505.79**	6803.45
Processing Fee and other charges under the head "Other expenses" in relation to terminalling arrangement with GCPTCL	**9.12**	2.10
Transportation charges under the head "Other expenses" in relation to Prime Mover Agreement	**6.83**	5.39
Purchase of nitrogen & oxygen for supply of oxygen and nitrogen at Panipat Refinery under " Cost of materials consumed"	**77.25**	95.97
Freight charges under the head "Cost of Materials Consumed"/ "Other expenses" in relation to Time Charter Arrangement	**803.74**	1358.03

(b) Operating lease — as Lessor

The lease rentals recognized as income in these statements as per the rentals stated in the respective agreements:

(₹ in Crore)

	March-2018	March-2017
A. Lease rentals recognized as income during the year	**2.86**	0.45
B. Value of assets given on lease included in Property, Plant and Equipments		
- Gross Carrying Amount	**3.10**	1.96
- Accumulated Depreciation	**0.43**	0.24
- Depreciation recognized in the Statement of Profit and Loss	**0.08**	0.12

These relate building and plant and equipment given on lease.

(c) Finance lease — as Lessee

The Group has entered into following material finance lease arrangements:

(i) BOOT agreement with IOT Utkal Energy Services Ltd. in respect of Tankages facility for a period of 15 years. Lessor will transfer ownership to The Group after 15 Years at Nil value.

(ii) BOOT agreement with IL&FS in respect of Water Intake facility for a period of 25 years. Lessor will transfer ownership to The Group after 25 Years at Rs.0.01 crore.

(iii) The Group has entered into finance lease arrangements with Gujarat Adani Port Limited related to Port facilities at Gujarat for a period of 25 years and 11 months.

(iv) The Group has obtained various lands from the governments for purpose of plants, facilities and offices. Lease cases where at the inception of the lease, the present value of minimum lease payments is substatitally equal to the fair value of leased assets are considered under finance leases. Also refer Note 1B for more details on judgements made for lease classification.

Disclosure under Finance Lease as Lessee:

(₹ in Crore)

		March-2018	March-2017
(i)	Minimum lease payments		
	- Within one year	**562.06**	560.92
	- After one year but not more than five years	**2229.72**	2222.27
	- More than five years	**4279.84**	4819.27
	Total	**7071.62**	**7602.46**
(ii)	Present value of minimum lease payments		
	- Within one year	**167.60**	150.86
	- After one year but not more than five years	**856.53**	766.63
	- More than five years	**2597.35**	2838.92
	Total	**3621.48**	3756.41
	Add: Future finance charges	**3450.14**	3846.05
	Total	**7071.62**	**7602.46**

The Net Carrying amount of the assets acquired under Finance Lease is disclosed in Note – 2

(d) Finance lease — as lessor

The Group has entered into following material finance lease arrangements:

(i) The Group 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 Group has entered into a lease agreement with Indian Synthetic Rubber Private Limited in which the compay has leased out land for one time upfront payment of ₹ 16.65 crores

(₹ in Crore)

	March-2018	March-2017
A. Gross Investments in Finance Lease	**432.28**	**432.29**
Less: Unearned Finance Income	**0.16**	0.38
Less: Finance Income Received	**170.98**	170.76
Less: Minimum Lease payment received	**260.07**	258.96
Net Investment in Finance Lease as on Date	**1.07**	2.19
B.Unearned finance Income	**0.16**	0.38
C. Present Value of Minimum Lease Payments Receivable		
- Within one year	**0.69**	1.11
- After one year but not more than five years	**0.38**	1.08
- More than five years	**0.00**	0.00
TOTAL	**1.07**	**2.19**
D. Break-up of un-earned income		
- Within one year	0.11	0.22
- After one year but not more than five years	0.05	0.16
- More than five years	0.00	0.00
TOTAL	**0.16**	**0.38**

B. CONTINGENT LIABILITIES

B.1 Claims against the Group not acknowledged as debt

Claims against the Group not acknowledged as debt amounting to ₹ 8775.01 crore (2017: ₹9935.45 crore) are as under:

B.1.1 ₹**398.56 crore** (2017: ₹158.2 crore) being the demands raised by the Central Excise /Customs/ Service Tax Authorities including interest of ₹**27.66 crore** (2017: ₹31.86 crore).

B.1.2 ₹**31.23 crore** (2017: ₹73.59 crore) in respect of demands for Entry Tax from State Governments including interest of ₹**3.07 crore** (2017: ₹8.98 crore).

B.1.3 ₹**3303.86 crore** (2017: ₹3350.82 crore) being the demands raised by the VAT/ Sales Tax Authorities including interest of ₹**1332.72 crore** (2017: ₹1416.64 crore).

B.1.4 ₹**1990.52 crore** (2017: ₹2495.45 crore) in respect of Income Tax demands including interest of ₹**662.08 crore** (2017: ₹620.4 crore).

B.1.5 ₹**2043.49 crore** (2017: ₹2696.5 crore) including ₹1618.75 crore (2017: ₹2424.3 crore) on account of Projects for which suits have been filed in the Courts or cases are lying with Arbitrator. This includes interest of ₹**164.54 crore** (2017: ₹52.52 crore).

B.1.6 ₹**1007.35 crore** (2017: ₹1160.89 crore) in respect of other claims including interest of ₹**405.84 crore** (2017: ₹258.38 crore).

The Group has not considered those disputed demands/claims as contingent liabilities, for which, the outflow of resources has been considered as remote.

B.2 Other money for which the Group is contingently liable

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.

C. COMMITMENTS

C.1 Capital Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for ₹**15919.84 crore** (2017: ₹13731.23 crore) Capital Commitments in respect of Joint Operations are disclosed in Note 34.

C.2 Other Commitments

C.2.1 The Group has an export obligation to the extent of ₹**2923.89 crore** (2017: ₹5916.46 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 To meet the direction of Honourable High court of Orissa, the Group has a commitment to pay ₹**280.1 crore** (2017: ₹280.1 crore) towards providing high tech ambulances, removal of old anicut and construction of water treatment plant in the state of Orissa . In addition, the Group has to incur cost towards dredging through Orissa Construction Co , a state government agency estimate for which yet to be finalised.

C.2.3 IndianOil LNG Private Limited (IOLPL), the JV company, has entered into Debenture Subscription Agreement with ICICI Bank (ICICI), in which, the Company (IOCL), as promoter of IOLPL, has provided put option under which ICICI has option to sell Compulsory Convertible Debenture (CCD) to the Company (IOCL) before the expiry date. In addition to this, the Company, at the sole discretion, has right to acquire CCD from ICICI on or before the expiry date. The Group's (IOCL) share of such obligation is ₹ **949.05 Crore** (2017: ₹ 341.28 Crore).

C.2.4 The Group through IOCL Singapore Pte Ltd has entered into an agreement with Shell Overseas Holding Ltd to acquire 17% participating interest in the Mukhaizna Oil Field, Oman by acquiring 100% of the share capital in Shell Exploration & Production Oman Ltd (SEPOL). The Company has outstanding investment commitment of ₹**2144.42 Crore** as on 31 March-2018. The acquisition of SEPOL was completed on 05th April 2018.

C.2.5 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, Syndicate Bank, Canara Bank, Bank of Baroda, Allahabad Bank, IndusInd Bank, Jammu and Kashmir Bank and Axis bank'. The Company's share of such obligation is estimated at ₹**3,280.94 crore** (2017: ₹2,471.38 crore).

C.2.6 The Group has issued Corporate Guarantee, on behalf of IndianOil LNG Private Limited (IOLPL), to the extent of obligations of IOLPL under Performance Bank Guarantee facility provided to IOLPL by State Bank of India. The estimated amount of such obligation is at ₹ **11.40 crore** (2017 ₹11.40 crore).

C.2.7 The Group has entered into Signature Bonus Agreement with Republic of Venezuela payable on achievement of various project milestones. The estimated amount of such obligation is at ₹373.18 crore (2017: ₹368.89 crore).

D. CONTINGENT ASSETS

(₹ in Crore)

		March-2018	March-2017
a.	A customer had lodged a claim against the Group challenging the pricing mechanism of utilities provided. The matter was referred to arbitration and award was given in favour of the Group. During the year customer has approached Honourable High court challenging the award of arbitration and the case is pending with Honourable High court for final adjudication. Honourable High court vide its interim orders dated 28.08.2017 and 19.04.2018 has directed the customer to deposit the principal amount and interest amount respectively in the Registry of the court. Court has also directed that the amount deposited by the customer shall be released to the Group upon furnishing an unconditional Bank Guarantee of the equivalent amount. The management has treated a portion of the same as contingent asset pending adjudication of matter with Honourable High Court.	**112.98**	96.00
b.	Contingent Asset 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 IOCL.	**3.48**	3.36
	Total	**116.46**	**99.36**

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 subsidiary

1) IOT Infrastructure & Energy Services 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) IndianOil Panipat Power Consortium Limited
10) Petronet CI Limited
11) IndianOil LNG Private Limited
12) IndianOil SkyTanking Private Limited
13) Suntera Nigeria 205 Limited
14) Delhi Aviation Fuel Facility Private Limited
15) Indian Synthetic Rubber Private Limited
16) Indian Oil Ruchi Biofuels LLP
17) NPCIL- IndianOil Nuclear Energy Corporation Limited
18) GSPL India Transco Limited
19) GSPL India Gasnet Limited
20) IndianOil - Adani Gas Private Limited
21) Mumbai Aviation Fuel Farm Facility Private Limited
22) Kochi Salem Pipeline Private Limited
23) Hindustan Urvarak & Rasayan Limited
24) Ratnagiri Refinery & Petrochemicals Limited
25) Indian Additives Limited
26) National Aromatics & Petrochemicals Corporation Limited
27) INDOIL Netherlands B.V., Netherland
28) Taas India PTE Limited
29) Vankor India PTE Limited
30) Ceylon Petroleum Storage Terminals Limited
31) Falcon Oil & Gas B.V.

B) Details of Subsidiary to JV's of IOCL

1) IOT Engineering & Construction Services Ltd.
2) Stewarts and Lloyds of India Limited
3) IOT Infrastructures Private Limited
4) IOT Canada Limited
5) IOT Utkal Energy Services Limited
6) PT IOT EPC Indonesia
7) IOT Engineering Projects Limited
8) Indian Oiltanking Engineering & Construction Services LLC Oman
9) IOT Engineering & Construction Services Pte. Ltd. Singapore
10) JSC KazakhstanCaspishelf
11) IOT VITO MUHENDISLIK INSAAT VE TAAHUT A.S.
12) IndianOil Skytanking Delhi Pvt. Limited
13) IOT Anwesha FZE

C) The following transactions were carried out with the related parties in the ordinary course of business: (₹ in Crore)

		March-2018	March-2017
1	**Sales of Products / Services** [Includes sales to Indian Synthetic Rubber Private Limited ₹ **484.07 crore** (2017: ₹ 431.43 crore) and IndianOil Petronas Private Limited ₹ **273.56 crore** (2017: ₹ 132.75 crore)]	**857.40**	681.13
2	**Interest received** [Includes interest received from IndianOil LNG Private Limited ₹ **39.24 crore** (2017: ₹ 45.61 crore) and Indian Synthetic Rubber Private Limited ₹ **6.39 crore** (2017: ₹ 5.54 crore)]	**45.63**	51.15
3	**Other Operating Revenue/ Other Income** [Includes Other Operating Revenue / Other Income from Indian Synthetic Rubber Private Limited ₹ **75.30 crore** (2017: ₹ 42.73 crore) and Ceylon Petroleum Syorage Terminal Limited ₹ **14.81 crore** (2017: ₹ 4.55 crore)]	**108.23**	69.99

4	**Purchase of Products** [Includes Purchase of Products from Petronet LNG Limited ₹ **5,820.32 crore** (2017: ₹ 7,446.25 crore)]	**5,950.04**	7,540.73
5	**Purchase of Chemicals/ Materials** [Includes Purchase of Chemicals/ Materials from Petronet LNG Limited ₹ **3,080.47 crore** (2017: Nil)]	**3,485.52**	371.36
6	**Interest paid** [Includes Interest paid to IOT Utkal Energy Services Limited ₹ **299.64 crore** (2017: ₹ 311.76 crore)]	**299.64**	311.76
7	**Handling/ Other Expenses** [Includes Handling/ Other Expenses to IndianOil Skytanking Private Limited ₹ **351.20 crore** (2017: ₹ 264.55 crore), IndianOil Petronas Private Limited ₹ **290.44 crore** (2017: ₹ 351.57 crore), IOT Infrastructure & Energy Services Limited ₹ **93.02 crore** (2017: ₹ 88.19 crore) and Mumbai Aviation Fuel Farm Facility Private Limited ₹ **89.91 crore** (2017: ₹ 79.65 crore)]	**945.11**	906.60
8	**Reimbursement of Expenses** [Includes Reimbursement of Expenses pertaining to Indian Oil Petronas Private Limited ₹ **2.56 crore** (2017: ₹ 11.52 crore) and IOT Infrastructure & Energy Services Limited ₹ **0.99 crore** (2017: ₹ 0.05 crore)]	**4.09**	13.34
9	**Investments made/ (sold) during the year** [Includes Investment made/ (sold) in Hindustan Urvarak and Rasayan Limited ₹ **328.23 crore** (2017: ₹ 5.03 crore), Lubrizol India Private Limited ₹ **(56.96) crore** (2017: Nil), Ratnagiri Refinery & Petrochemicals Limited ₹ **50.00 crore** (2017: Nil) and GSPL India Transco Limited ₹ **45.76 crore** (2017: ₹ 10.40 crore)]	**440.43**	311.56
10	**Purchase/(Sale)/Acquisition of Fixed Assets including CWIP** [Includes Purchase/Acquisition of Fixed Assets incl. CWIP from IOT Utkal Energy Services Limited ₹ **6.04 crore** (2017: Nil) and IOT Infrastructure & Energy Services Limited ₹ **1.11 crore** (2017: ₹ 15.08 crore)]	**7.15**	15.78
11	**Provisions made/ (write back) during the year** [Includes Provision made/ (write back) in Petronet India Limited ₹ **Nil** (2017: ₹(18.00) crore]	**-**	(17.90)
12	**Outstanding Receivables/ Loans & Advances** [Includes Outstanding Receivables/ Loans & Advances from Petronet LNG Limited ₹ **307.61 crore** (2017: ₹ 332.30 crore), Vankor India PTE Limited ₹ **189.45 crore** (2017: ₹ 188.50 crore), Taas India PTE Limited ₹ **136.3 crore** (2017: ₹ NIL)] and Suntera Nigeria 205 Limited ₹ **113.58 crore** (2017: ₹ 109.30 crore)	**938.19**	1,401.10
13	**Outstanding Payables** [Includes Outstanding payable to IOT Utkal Energy Services Limited ₹ **2,817.97 crore** (2017: ₹ 2,923.37 crore) and Petronet LNG Limited ₹ **464.43 crore** (2017: ₹ 295.66 crore)]	**3,383.56**	3,354.67
14	**Investments in JV/ Associates as on date**	**2,251.56**	1,848.14

Note:

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. Relatives of Key Managerial Personnel and nature of relation with whom transactions are undertaken during the year:

1) M/s. JOT Filling Station, Rureke, Punjab (Indian Oil Retail Outlet): Owned by brother of Key Managerial Personnel

2) Shri Harvinder Singh Kainth (Manager, Indian Oil Corporation Limited): Brother of Key Managerial Personnel

3) Mindtree Limited (Company): Managed by Key Managerial Personnel

Details relating to the parties referred to in Item No.2 above: **(₹ in Crore)**

		March-2018	March-2017
1	**Sales of Products / Services**		
	M/s. JOT Filling Station	**3.46**	4.71
	M/s. Mindtree Limited	**0.09**	-
2	**Remuneration**		
	Shri Harvinder Singh Kainth	**0.40**	0.31
3	**Outstanding Receivables/ Loans & Advances**		
	M/s JOT Filling Station	**-**	0.08
	Shri Harvinder Singh Kainth	**0.09**	0.03

3. 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.

4) Key Managerial Personnel

A. Whole Time Directors/ Company Secretary

1) Shri Sanjiv Singh
2) Shri B. Ashok (upto 31.05.2017)
3) Shri A.K.Sharma
4) Shri Anish Aggarwal
5) Shri B. S. Canth (upto 31.01.2018)
6) Shri G. K. Satish (w.e.f. 01.09.2016)
7) Shri S. S. V. Ramakumar (w.e.f. 01.02.2017)
8) Shri B V Rama Gopal (w.e.f. 12.02.2018)
9) Shri Ranjan Kumar Mohapatra (w.e.f. 19.02.2018)
10) Shri Verghese Cherian (upto 31.10.2017)
11) Shri Kamal Kumar Gwalani (w.e.f. 01.09.2017)
12) Shri Raju Ranganathan (upto 31.08.2017)

B. Independent Directors

1) Shri Sanjay Kapoor
2) Shri Parindu K. Bhagat
3) Shri Vinoo Mathur (w.e.f. 22.09.2017)
4) Shri Samirendra Chatterjee (w.e.f. 22.09.2017)
5) Shri Vivek Rae (w.e.f. 22.09.2017)
6) Shri Chitta Ranjan Biswal (w.e.f. 22.09.2017)
7) Dr.Jagdish Kishwan (w.e.f. 22.09.2017)
8) Shri Sankar Chakraborti (w.e.f. 22.09.2017)
9) Dr. B. Mahadevan (w.e.f. 22.09.2017 and upto 19.03.2018)
10) Shri Dharmendra S. Shekhawat (w.e.f. 22.09.2017)
11) Shri Subroto Bagchi (upto 29.06.2017)

C. Government Nominee Directors

1) Shri Ashutosh Jindal
2) Smt. Urvashi Sadhwani (w.e.f. 27.10.2017)
3) Shri A. P. Sawhney (Upto 22.06.2017)

D) Details relating to the parties referred to in item no. 4A & 4B above

March-2018 **(₹ 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 Sanjiv Singh	0.57	0.07	0.27	0.91	-	0.02
2) Shri B. Ashok	0.30	0.11	0.30	0.71	-	-
3) Shri A.K.Sharma	0.64	0.07	0.16	0.87	-	0.07
4) Shri Anish Aggarwal	0.72	0.17	0.59	1.48	-	-
5) Shri B. S. Canth	0.53	0.15	0.49	1.17	-	-
6) Shri G. K. Satish	0.53	0.07	0.12	0.72	-	0.01
7) Shri S. S. V. Ramakumar	0.53	0.07	0.05	0.65	-	0.03
8) Shri B V Rama Gopal	0.09	0.01	-	0.10	-	0.01
9) Shri Ranjan Kumar Mohapatra	0.08	0.01	-	0.09	-	0.23
10) Shri Verghese Cherian	0.41	0.13	0.47	1.01	-	-
11) Shri Kamal Kumar Gwalani	0.34	0.04	0.18	0.56	-	0.22
12) Shri Raju Ranganathan	0.21	0.12	0.28	0.61	-	-
B. Independent Directors						
1) Shri Sanjay Kapoor	-	-	-	-	0.16	-
2) Shri Parindu K. Bhagat	-	-	-	-	0.15	-
3) Shri Vinoo Mathur	-	-	-	-	0.05	-
4) Shri Samirendra Chatterjee	-	-	-	-	0.04	-
5) Shri Vivek Rae	-	-	-	-	0.04	-
6) Shri Chitta Ranjan Biswal	-	-	-	-	0.04	-
7) Dr.Jagdish Kishwan	-	-	-	-	0.05	-
8) Shri Sankar Chakraborti	-	-	-	-	0.05	-
9) Dr. B. Mahadevan	-	-	-	-	0.02	-
10) Shri Dharmendra S. Shekhawat	-	-	-	-	0.05	-
11) Shri Subroto Bagchi	-	-	-	-	0.05	-
TOTAL	**4.95**	**1.02**	**2.91**	**8.88**	**0.70**	**0.59**

March-2017 **(₹ 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 Sanjiv Singh	0.48	0.05	0.01	0.54	-	0.03
2) Shri B. Ashok	0.60	0.05	0.26	0.91	-	-
3) Shri A.K.Sharma	0.53	0.05	0.01	0.59	-	0.09
4) Shri Anish Aggarwal	0.58	0.06	0.06	0.70	-	0.05
5) Shri B. S. Canth	0.46	0.05	0.02	0.53	-	0.01
6) Shri G. K. Satish	0.26	0.03	0.08	0.37	-	0.03
7) Shri S. S. V. Ramakumar	0.09	0.01	-	0.10	-	0.07
10) Shri Verghese Cherian	0.55	0.05	0.08	0.68	-	0.01
12) Shri Raju Ranganathan	0.45	0.05	0.13	0.63	-	-
B. Independent Directors						
1) Shri Sanjay Kapoor	-	-	-	-	0.14	-
2) Shri Parindu K. Bhagat	-	-	-	-	0.12	-
3) Shri Subroto Bagchi	-	-	-	-	0.14	-
TOTAL	**4.00**	**0.40**	**0.65**	**5.05**	**0.40**	**0.29**

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) 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.

3) Refer Note 5 for Present value of Outstanding Loans/ Advance Receivables from Directors

5) Trusts

Transactions with Post Employment Benefit Plans managed through separate trust

	Name of the Trust	Post Employment Benefit Plan	March-2018		March-2017	
			Contribution by employer	Outstanding Receivable/ (Payable)	Contribution by employer	Outstanding Receivable/ (Payable)
1	IOCL (Refinery Division) Employees Provident Fund	Provident Fund	181.28	(19.79)	154.74	(6.38)
2	Indian Oil Corporation Limited (Assam Oil Division) Employees Provident Fund	Provident Fund	20.31	(7.21)	15.70	(9.01)
3	Provident Fund for the Employees of Indian Oil Corporation Limited (Marketing Division)	Provident Fund	199.44	(5.81)	181.82	(2.57)
4	IOCL Employees Superannuation Benefit Fund	Pension Scheme	592.22	143.97	354.13	392.15
5	IOCL Employees Post Retirement Medical Benefit Fund	Post Retirement Medical Scheme	772.23	80.29	1,189.23	(619.62)
6	IOCL Employees Group Gratuity Trust	Gratuity	-	(820.06)	-	399.38
7	Indian Oil Corporation Limited (Assam Oil Division) Staff Pension Fund	Pension Scheme	-	0.01	-	0.02
8	CPCL Employees Provident Fund	Provident Fund	20.12	4.37	17.09	3.76
9	CPCL Employees Superannuation Benefit Fund	Pension Scheme	21.13	2.17	22.86	2.22

Transactions with CPCL Educational Trust **(₹ in Crore)**

	Type of Transactions	March-2018	March-2017
1	CSR Expenses	0.62	0.43
2	Repayment of Loan by trust	-	0.25
3	Interest	-	0.02

NOTE-39: SEGMENT INFORMATION

Primary Segment Reporting as per Ind-AS 108 for the year ended March 31, 2018 is as under: **(₹ in Crore)**

	March-2018					March-2017				
	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total
Revenue										
External Revenue	488,321.27	18,033.84	9,186.78	-	**515,541.89**	427,515.65	19,802.01	6,477.07	-	453,794.73
Inter-segment Revenue	8,413.76	25.32	53.94	(8,493.02)	**0.00**	7,328.11	24.94	4,902.22	(12,255.27)	0.00
Total Revenue	**496,735.03**	**18,059.16**	**9,240.72**	**(8,493.02)**	**515,541.89**	**434,843.76**	**19,826.95**	**11,379.29**	**(12,255.27)**	**453,794.73**
Result										
Segment Results excluding Exchange Gain/(Loss)	28,520.87	5,255.84	224.32	-	**34,001.03**	20,677.16	6,826.78	(281.02)	-	27,222.92
Segmental Exchange Gain/(Loss)	223.59	(29.62)	6.60	-	**200.57**	582.03	(4.54)	7.14	-	584.63
Segment Results	**28,744.46**	**5,226.22**	**230.92**	**-**	**34,201.60**	**21,259.19**	**6,822.24**	**(273.88)**	**-**	**27,807.55**
Less: Unallocable Expenditure										
- Finance Cost					**3,810.51**					3,721.26
- Provision for diminution in Investments (Net)					**-**					0.07
- Loss on sale and disposal of Assets					**160.77**					125.95
- Loss on Derivatives					**-**					146.54
- Fair value Loss on Financial instruments classified as FVTPL					**-**					0.56
- Amortisation of FC Monetary Item Translation					**111.13**					359.63
Add: Unallocable Income										
- Interest/Dividend Income					**2,562.61**					2,644.49
- Profit on Sale of Investments (Net)					**31.36**					43.61
- Provision for diminution in Investments written back (Net)					**18.38**					-
- Exchange Gain - (Net)					**245.02**					1,119.04
- Gain on Derivatives					**46.40**					-
- Fair value gain on Financial instruments classified as FVTPL					**459.51**					-
- Other non operating income					**56.60**					55.06
- Share of Profit in Joint Venture and Associates					**911.15**					640.06
Profit Before Tax					**34,450.22**					**27,955.80**
Less: Income Tax (including deferred tax)					**11,823.87**					7570.40
Profit After Tax					**22,626.35**					**20,385.40**

1. The Company is engaged in the following business segments:
   a) Sale of Petroleum Products
   b) Sale of Petrochemicals
   c) Other Businesses, which comprises Sale of Gas, Explosives & Cryogenics, Wind Mill & Solar Power Generation and Oil & Gas Exploration Activities.

Segments have been identified and reported taking into account, the nature of products and services and differing risks and returns.

2. Segment Revenue comprises of the following:
   a) Turnover (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.

	March-2018					March-2017				
	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total
Other Information										
Segment Assests	2,18.784.88	14,665.15	12,402.44		**2,45,852.47**	2,00,996.26	14,558.07	10,333.10		2,25,887.43
Corporate Assests										
Investments (Current and Non current)					**44,806.05**					43,687.24
Advances for Investments					**1,186.55**					188.51
Advance Tax					**1,303.84**					5.47
Interest Accured on investments/bank deposits					**188.07**					196.60
Loans to JV included in Loans and Recievables					**198.36**					690.98
Deposits for Leace encashment Fund					**2,135.91**					2,903.77
Total Assets					**2,95,671.25**					**2,73,560.00**
Segment Liabilities	99,008.26	557.05	1,817.31		**1,01382.62**	96,167.08	440.91	2,312.10		98,920.09
Corporate Liabilities										
Liability Dividend					**3.30**					-
Provision for taxation										79.91
Borrowings (Short term and Long term)					**62.141.02**					58,830.03
Current maturities of long term debt					**3,508.77**					4,440.59
Deffered tax liabilities					**12,367.85**					6,888.66
Interest accured but not due on borrowings					**22.29**					22.07
Derivative Liabilites					**221.40**					397.03
Total Liabilities					**179,647.25**					**169,560.38**
Capital Employed										
Segment Wise	119,776.62	14,108.10	10,585.13		**144,469.85**	104,829.18	14,117.16	8,021.00		126,967.34
Corporate					**(28,445.85)**					(22,967.72)
Total Capital Employed					**116,024.00**					**103,999.62**
Capital Expenditure	23,551.43	1,257.75	181.59	-	**24,990.77**	12,732.66	391.61	73.93	-	13,198.20
Depreciation and Amortization	6517.61	851.02	294.91	-	**7663.54**	5731.31	747.08	327.53	-	6,805.92

Geographical information

(₹ in Crore)

	Revenue from external customers		Non-current assets	
	March-2018	March-2017	March-2018	March-2017
India	**483,836.14**	433,837.71	**142,400.10**	131.540.47
Outside India	**31,705.75**	19,957.02	**15,094.09**	14,272.77
Total	**515,541.89**	**453,794.73**	**157,494.19**	**145,813.24**

Revenue from major products and services

(₹ in Crore)

	March-2018	March-2017
Motor Spirit (MS)	**100,126.69**	88,741.94
High Speed Diesel (HSD)	**256,206.89**	227,208.76
Superior Kerosene Oil (SKO)	**11,191.11**	11,019.71
Liquified Petroleum Gas (LPG)	**53,101.38**	43,203.35
Aviation Turbine Fuel (ATF)	**24,165.31**	19,166.29
Others	**70,750.51**	64,454.68
Total External Revenue	**515,541.89**	**453,794.73**

NOTE-40: FAIR VALUES

Set out below, is a comparison by class of the carrying amounts 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 31 - March-2018	As at 31 - March-2017	As at 31 - March-2018	As at 31 - March-2017	
Financial assets					
A. FVOCI financial instruments:					
Quoted equity shares	**20,493.36**	20,987.39	**20,493.36**	20,987.39	Level 1
Unquoted equity instrument	**1,522.12**	1,203.28	**1,522.12**	1,203.28	Level 3
Quoted Government securities	**11,132.10**	11,372.92	**11,132.10**	11,372.92	Level 1
B. FVPL financial instruments:					
Derivative instruments at fair value through profit or loss	**-**	2.99	**-**	2.99	Level 2
Unit Trust Investments	**333.15**	274.00	**333.15**	274.00	Level 1
C. Amortised Cost:					
Loans to employees	**1,211.41**	1,068.57	**1,208.01**	1,116.98	Level 2
PMUY Loan	**754.75**	-	**764.91**	-	Level 2
Financial Liabilities					
A. Borrowings:					
Amortised Cost:					
Non-Convertible Redeemable Bonds	**-**	2,133.85	**-**	2,225.90	Level 2
Term Loans from Oil Industry Development Board (OIDB)	**884.20**	1,601.98	**894.00**	1,612.05	Level 2
Finance lease obligation	**3,621.48**	3,756.41	**4,281.39**	4,199.29	Level 2
Foreign Currency Bonds - US Dollars	**6,578.88**	6,543.38	**6,994.10**	7,221.43	Level 1
Foreign Currency Bonds - Singapore Dollars	**2,040.81**	1,904.02	**2,008.20**	1,912.72	Level 2
Senior Notes (Bank of America)	**-**	1,310.64	**-**	1,343.40	Level 2
Loan from Odisha Government	**478.86**	-	**469.46**	-	Level 2
B. Other financial liabilities:					
Fair Value through Profit and Lose (FVPL)					
Derivative instruments at fair value through profit or loss	**221.40**	379.03	**221.40**	379.03	Level 2
Contingent Consideration	**-**	438.54	**-**	438.54	Level 3

NOTE .

1. The management assessed that fair value of Trade Receivables, Cash and Cash Equivalents, Bank Balances, Deposit for Leave Encashment Fund, Recoverable from Employee Benefits Trusts, Other Non-derivative Current Financial Assets, Finance lease Receivable, Security Deposit paid and received, Short-term Borrowing (including Current Maturities), Trade Payables, Floating Rate Borrowings/ Receivables, Other Non-derivative Current Financial Liabilities and Liabilities towards financial guarantees approximate their carrying amounts.

2. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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 for the specific bond collected from Bank

(iv) **Unit Trust Investment:** Closing NAV for the specific investment available in Trust Bulletin/ Newspaper

B. Level 2 Hierarchy:

(i) **Derivative instruments at fair value through profit or loss:** Replacement cost quoted by institutions for similar instruments by employing use of market observable inputs.

(ii) **Loans to employees, PMUY Loan:** Discounting future cash flows using rates currently available for items on similar terms, credit risk and remaining maturities.

(iii) **Finance lease obligation:** For obligation arrived based on IRR, implicit rate applicable on the reporting date and for obligation arrived based on incremental borrowing rate, applicable rate for remaining maturity.

(iv) **Non-Convertible Redeemable Bonds, Foreign Currency Bonds - Singapore Dollars and Senior Notes (Bank of America), Loan from Odisha Government:** 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 a DCF model. 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) **Contingent Consideration:** Fair Values of the contingent consideration been estimated by assessing the likelyhood of the FID approval. The valuation requires management to make certain assumptions about the profitability factor to be applied for valuation of consideration.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March-2018 and 31 March-2017 are shown below:

	Description	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
I	Haldia Petrochemical Limited (included under FVTOCI assets in unquoted equity instruments)	Market Approach with equal weights to Revenue and EBITDA Multiple	Revenue Multiple	31.03.18: 0.85x - 0.89x (0.87x) 31.03.17: 0.59x - 0.63x (0.61x)	0.01x increase/ (decrease) in Revenue Multiple would result in increase/ (decrease) in fair value by: 31.03.18: ₹5.5 crore/ ₹(5.4) crore 31.03.17: ₹4.6 crore/ ₹(4.6) crore
			EBITDA multiple	31.03.18: 6.5x - 6.9x (6.7x) 31.03.17: 4.8x - 5.2x (5.0x)	0.1x increase/ (decrease) in EBITDA Multiple would result in increase/ (decrease) in fair value by: 31.03.18: ₹6.8 crore/ ₹(6.7) crore 31.03.17: ₹7.3 crore/ ₹(7.4) crore
II	Ceylon Petroleum Storage Terminals Limited (included under FVTOCI assets in unquoted equity instruments)	Market Approach	Revenue Multiple	31.03.18: 2.0x - 2.4x (2.2x) 31.03.17: 2.0x - 2.4x (2.2x)	0.1x increase (decrease) in Revenue Multiple would result in increase (decrease) in fair value by: 31.03.18: ₹2.7 crore/ ₹(2.6) crore 31.03.17: ₹7.3 crore/ ₹(7.3) crore
			EBITDA multiple	31.03.18: 6.5x - 8.5x (7.5x) 31.03.17: 7.0x - 9.0x (8.0x)	0.5x increase (decrease) in EBITDA Multiple would result in increase (decrease) in fair value by: 31.03.18: ₹50.2 crore/ ₹(41.9) crore 31.03.17: ₹8.8 crore/ ₹(8.8) crore
III	Pacific NorthWest LNG Limited and Pacific NorthWest LNG Limited Partnership (included under FVTOCI assets in unquoted equity instruments)	DCF method	Discount Rate	31.03.18: Nil* 31.03.17: 10.0% - 11.0% (10.5%)	0.25% increase (decrease) in the Discount Rate would result in (decrease) increase in fair value by: 31.03.18: Nil* 31.03.17: ₹(48.3) crore/ ₹51.0 crore
IV	Petrocarababo S.A. and Carabobo Ingenieria Y Construcciones S.A. (included under FVTOCI assets in unquoted equity instruments)	DCF method	Discount Rate	31.03.18: 21.0% - 25.0% (23.0%) 31.03.17: 21.0% - 25.0% (22.0%)	1% increase (decrease) in the Discount Rate would result in (decrease) increase in fair value by: 31.03.18: ₹(5.9) crore/ ₹6.2 crore 31.03.17: ₹(2.0) crore/ ₹1.6 crore
V	Contingent Consideration	Probability of FID	Probability of FID	31.03.18: Nil* 31.03.17: (90%)	1% increase/ (decrease) in Probability would result in (decrease)/ increase in fair value by: 31.03.18: Nil* 31.03.17: ₹(4.9) crore/ ₹4.9 crore

(*Also refer Note 48)

Carrying value (₹ in Crore)

Unquoted equity instruments carried at FVOCI includes following investments for which sensitivity disclosure are not disclosed:	As at 31-March-18	As at 31-March-17
Mer Rouge Oil Storage Terminal Company Limited	**2.66**	0.93
BioTech Consortium India Limited	**0.10**	0.10
MRL Industrial Cooperative Service Society	**0.01**	0.01
Woodlands Multispeciality Hospital Limited	**0.10**	0.10
International Cooperative Petroleum Association, New York	**0.02**	0.02

Reconciliation of fair value measurement of Assets and Liabilities under Level 3 hierarchy of Fair Value measurement:

Description	FVTOCI Assets Unquoted Equity Shares	FVTPL Assets Contingent Consideration
Balance as at 31 March-2017	**1,203.28**	**438.54**
Addition	7.31	-
Deletion	-	-
Fair Value Changes	295.26	-452.63
Exchange Difference	16.27	14.09
Balance as at 31 March-2018	**1,522.12**	-

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 finance 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 Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies, risk objectives and risk appetite.

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 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 31 March-2018 and 31 March-2017.

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 also exposed to interest rate risk from the possibiltiy that changes in interest 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. As at 31 March-2018, approximately 49% of the Group's borrowings are at a fixed rate of interest (31 March-2017: 40%).

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-2018		March-2017	
INR	**+50**	**(15.00)**	+50	(27.66)
US Dollar	**+50**	**(144.53)**	+50	(155.18)
INR	**-50**	**15.00**	-50	27.66
US Dollar	**-50**	**144.53**	-50	155.18

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-detrmined triggers. The hedging is mostly undertaken through forward contracts.

The Group has outstanding forward contract of ₹4,210.75 crore as at 31 March-2018 (31 March-2017: ₹1,702.22 crore) 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-2018		March-2017	
Forward Contract - US Dollar	+5%	210.54	+5%	85.11
	-5%	(210.54)	-5%	(85.11)
Other Exposures - US Dollar	+5%	(2,997.17)	+5%	(2,927.93)
	-5%	2,997.17	-5%	2,927.93
Other Exposures - SGD	+5%	(102.04)	+5%	(95.20)
	-5%	102.04	-5%	95.20
Cross Currency - USD vs. SGD	+5%	(106.11)	+5%	(105.56)
	-5%	106.11	-5%	105.56

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 invntoty etc. For this reason, the total effect of exchange rate fluctuations is not identifiable separately in the Group's reported results.

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. 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 the exchanges to mitigate the risk within the approved limits.

Category-wise quantitative data about commodity derivative transactions that are oustanding is given below:

Quantity (in lakh bbls)

Particulars	March-2018	March-2017
Margin Hedging	94.25	3.00

The sensitivity to a reasonably possible change in price of crude oil/ refinery margin on the outstanding commodity hedging position as on March-2018:

Particulars	Increase/ Decrease in %	Effect on profit before tax (₹ in Crore)	Increase/ Decrease in %	Effect on profit before tax (₹ in Crore)
	March-2018		March-2017	
Margin Hedging	+10%	(96.20)	+10%	(2.28)
Margin Hedging	-10%	96.20	-10%	2.28

4. Equity price risk

The Group's investment in listed and non-listed equity securities, other than its investment 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 ₹1,522.12 crore. Sensitivity analysis of these investments have been provided in Note 40.

The exposure to listed equity securities valued at fair value was ₹20,493.36 crore. An increase / decrease of 5% on the NSE market index could have an impact of approximately ₹1,024.67 crore on the OCI and equity attributable to the Group. These changes would not have an effect on profit or loss.

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 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)

Year ended 31 March-2018	0 - 90 days	91 days to 6 months	Above 6 months to 1 Year	Above 1 Year to 3 Years	> 3 years	Total
Gross Carrying amount	8,824.59	1,020.16	630.93	87.45	240.78	10,803.91
Expected credit losses	-11.25	-1.02	-0.63	-0.09	-0.16	-13.15
Specific Provision	-	-	-	-	-94.28	-94.28
Carrying amount	**8,813.34**	**1,019.14**	**630.30**	**87.36**	**146.34**	**10,696.48**
Year ended 31 March-2017						
Gross Carrying amount	5,400.29	2,942.71	393.07	92.67	188.77	9,017.51
Expected credit losses	-7.84	-2.94	-0.37	-0.08	-0.11	-11.34
Specific Provision	-0.01	-	-	-	-106.97	-106.98
Carrying amount	**5,392.44**	**2,939.77**	**392.70**	**92.59**	**81.69**	**8,899.19**

Financial instruments and cash deposits

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's maximum exposure to credit risk for the components of the Balance Sheet at 31 March-2018 and 31 March-2017 is the carrying amounts as provided in Note 4, 5, 6, 11 & 12.

C. Liquidity risk

The Group monitors its risk of a 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 finance 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 31 March-2018						
Borrowings	8,522.56	17,514.74	16,551.98	16,744.28	6,316.23	65,649.79
Trade payables	1,213.15	34,512.97	1,040.57	-	-	36,766.69
Other financial liabilities	25,892.31	5,704.77	3,029.67	523.42	47.54	35,197.71
Derivatives	-	221.40	-	-	-	221.40
	35,628.02	**57,953.88**	**20,622.22**	**17,267.70**	**6,363.77**	**137,835.59**
Year ended 31 March-2017						
Borrowings	2,685.31	17,210.29	17,829.09	19,634.58	5,911.35	63,270.62
Trade payables	1,787.36	29,387.70	21.44	-	-	31,196.50
Other financial liabilities	23,122.26	6,562.15	1,475.99	461.92	-	31,622.32
Derivatives	-	362.98	16.05	-	-	379.03
	27,594.93	**53,523.12**	**19,342.57**	**20,096.50**	**5,911.35**	**126,468.47**

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

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using debt equity ratio, which is borrowings divided by Equity attributable to equity holders of the parent. The Group's endeavour is to keep the debt equity ratio around 1:1.

(₹ in Crore)

	March-2018	March-2017
Borrowings	**65,649.79**	63,270.62
Equity Share Capital	**9,478.69**	4,739.34
Reserves and Surplus	**104,395.13**	97,356.76
Equity	**113,873.82**	**102,096.10**
Debt Equity Ratio	**0.58 : 1**	**0.62 : 1**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March-2018.

NOTE–43: DISCLOSURE RELATING TO CERTIFIED EMISSION REDUCTIONS

The disclosure in respect of self-generated Certified Emission Reductions (CERs) is as under :

Particulars	March-2018	March-2017
No. of CERs held as inventory	**0**	2693
No. of CERs under certification	**0**	74045
Depreciation and Operating and Maintenance costs of Emission Reduction Equipments expensed during the year (₹ in crore)	-	5.86
Considering realisablity of CERs, the same has not been carried in inventory.		

The disclosure in respect of self-generated Renewable Energy Certificates (REC) is as under :

Particulars	March-2018	March-2017
No. of RECs in hand	**76032**	0
No. of RECs under certification	**38907**	0

Total number of RECs in hand as well as under certification have been utilised/adjusted against Renewable Purchase Obligation (RPO)

NOTE–44: 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 **₹ 63.65 crore** (2017: ₹ 62.01 crore) and subsidies on sales of SKO and LPG to customers in Bhutan amounting to **₹ 17.46 crore** (2017: ₹ 18.01 crore) have been reckoned as per the schemes notified by Governments.

2 Compensation against under recoveries

The Group has accounted for Budgetary Support of **₹ 3196.34 crore** (2017: ₹ 5149.21 crore) towards under-recovery on sale of SKO (PDS) in the Statement of Profit and Loss as Revenue Grants.

3 Grant in respect of revenue expenditure for research projects

During the year, the Group has received revenue grant of **₹ 1.53 crore** (2017: ₹ 0.73 crore) in respect of meeting out revenue expenditure such as Manpower, Consumables, Travel and Contingency etc for research projects undertaken with various agencies.

4 Incentive on sale of power

The 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 **₹ 2.51 crore** during the current year (2017: ₹ 3.19 crore).

5 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 on 31.03.2018 is **₹ 247.47 crore** (2017: ₹ 476.10 crore). During the year, the Group has recognised **₹ 266.04 crore** (2017: ₹ 6.27 crore) in the statement of profit and loss account as amortisation of revenue grant. The Group expects to meet the export obligations and therefore equivalent deferred grant has not been treated as liability.

6 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 **₹ 3050.90 crore** (2017: ₹ 3072.91 crore).

7 Entry Tax exemption

The Group has recognised grant on net basis in respect of entry tax exemption of crude/ Naptha purchased in Panipat Refinery, Panipat Naptha Cracker Complex and Paradip Refinery in cost of materials consumed/ Purchase of Stock-in Trade. Entry tax exemption on crude/Naptha procured in the state of Haryana and Odisha has been received amounting to **₹ 162.32 crore** (2017: ₹ 505.84 crore).

B. Capital Grants

1 OIDB Government Grant for strengthening distribution of SKO (PDS)

The Group has received government grant from OIDB (Oil Industry Directorate 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 & Barrel Shed. The unamortized capital grant amount as on 31.03.2018 is **₹ 1.56 crore** (2017: ₹ 1.84 crore) .During the year, the Group has recognised **₹ 0.27 crore** (2017: ₹ 0.28 crore) in statement of profit and loss as amortisation of capital grants.

2 DBTL Capital Grant

The Group has received Government grant for roll out of DBTL scheme launched by MOPNG towards development, acquisition of software/licenses and data processing equipment for effective implementation of platform for dispensing of subsidy to customers purchasing LPG under DBTL scheme. The unamortized capital grant amount as on 31.03.2018 is **₹ 0 crore** (2017: ₹ 0.47 crore) .During the year, the Group has recognised **₹ 0.47 crore** (2017: ₹ 1.32 crore) in the statement of profit and loss as amortisation of capital grants.

3 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 of 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 on 31.03.2018 is **₹ 44.75 crore** (2017: ₹ 44.52 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 **₹ 5.20 crore** (2017: ₹ 4.78 crore) in the statement of profit and loss as amortisation of capital grants.

4 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 on 31.03.2018 is **₹ 15.33 crore** (2017: ₹ 15.73 crore). During the year, the Group has recognised **₹ 2.82 crore** (2017: ₹ 3.00 crore) in the statement of profit and loss as amortisation of capital grants.

5 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 on 31.03.2018 is **₹ 121.62 crore** (2017: ₹ 126.90 crore). During the year, the Group has recognised **₹ 5.28 crore** (2017: ₹ 5.66 crore) in the statement of profit and loss as amortisation of capital grants.

6 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 devloped IndaDeptG technology. The unamortized capital grant amount as on 31.03.2018 is **₹ 83.04 crore** (2017: ₹ 87.41 crore). During the year, the Group has recognised **₹ 4.38 crore** (2017: ₹ 1.09 crore) in the statement of profit and loss as amortisation of capital grants.

7 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 on 31.03.2018 is **₹ 6.40 crore** (2017: ₹ 6.67 crore). During the year, the Group has recognised **₹ 0.27 crore** (2017: ₹ 0.26 crore) in the statement of profit and loss as amortisation of capital grants.

8 Capital Grant in form of Interest Free Loan

The Group has received capital grant in the form of interest free loans from Orissa Government for a period of 15 years.The unamortized capital grant amount as on 31.03.2018 is **₹ 915.94 crore** (2017: ₹ 0 crore). During the year, the Group has recognised **₹ 11.96 crore** (2017: ₹ 0 crore) in the statement of profit and loss account as amortisation of capital grants.

9 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 on 31.03.2018 is **₹ 3.51 crore** (2017: ₹ 0 crore). During the year, the Group has recognised **₹ 0.21crore** (2017: ₹ 0 crore) in the statement of profit and loss as amortisation of capital grants.

NOTE–45: CONSTRUCTION CONTRACTS DISCLOSURES

(₹ in Crore)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Construction Revenue and Cost		
Construction contract revenue included in "Other Operating Revenue" recognized based on percentage of completion method	**5.78**	13.35
Construction contract cost included in "Other Expenses"	**5.25**	11.35
Amount due from (to) customers under construction contracts		
- Amount due from customers under construction contracts	**0.00**	0.00
- Amount due to customers under construction contracts	**0.00**	0.00
Net	**0.00**	0.00
Contracts in progress at the end of the reporting period		
Construction costs incurred plus recognised profits (less recognised losses) to date	**14.86**	26.44
Less: progress billings	**14.86**	26.44
Net	**0.00**	0.00
Advances received from customers for contract work	**45.31**	23.40
Retentions held by customers for contract work	**0.00**	0.00

NOTE–46: STATEMENT OF SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES, JV'S AND ASSOCIATES (FORM AOC - I)

Part "A": SUBSIDIARIES (₹ in Crore)

Sl. No.	1	2	3	4	5	6	7	8	9
Name of the Subsidiary	Chennai Petroleum Corporation Limited	Indian Catalyst Private 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	01.06.2006	24.10.2001	29.08.2002	19.04.2006	26.02.2010	01.10.2012	25.02.2014	13.05.2016
Reporting Currency	INR	INR	MUR	SLR	AED	EURO	USD	CAD	USD
Exchange Rate (INR):									
Closing as on 31.03.2018	-	-	1.9692	0.4184	17.7490	80.7900	65.1800	50.6630	49.8340
Average Rate 2017-18	-	-	1.9155	0.4206	17.5552	75.5205	64.4609	50.2920	47.5625
Share Capital	149.00	15.93	75.67	250.54	2.30	294.03	336.32	6,104.48	4,855.71
Other Equity	3,847.99	(9.47)	202.23	667.03	35.43	179.58	(135.86)	(26.42)	997.85
Liabilities	10,309.03	-	285.07	568.59	8.53	9.52	7.84	2,313.76	2,365.13
Total Liabilities	14,306.02	6.46	562.97	1,486.16	46.26	483.13	208.30	8,391.82	8,218.69
Total Assets	14,306.02	6.46	562.97	1,486.16	46.26	483.13	208.30	8,391.82	8,218.69
Investments	152.56	-	2.66	652.35	-	473.28	-	11.25	7,359.20
Turnover	44,135.50	-	1,346.43	3,841.90	53.10	1.27	40.79	225.78	1,693.62
Profit Before Taxation	1,472.53	(0.01)	25.33	(38.22)	7.38	(0.78)	(19.03)	(100.96)	282.49
Provision for Taxation	545.31	-	3.11	(1.31)	-	-	-	-	-
Profit After Taxation	927.22	(0.01)	22.22	(36.91)	7.38	(0.78)	(19.03)	(100.96)	282.49
Proposed Dividend	275.49	-	-	14.48	-	-	-	-	-
Percentage of shareholding	51.89%	100.00%	100.00%	75.12%	100.00%	100.00%	100.00%	100.00%	100.00%

INR Indian Rupees
MUR Mauritian rupees
SLR Srilankan Rupees
AED United Arab Emirates Dirham
USD United States Dollars
CAD Canadian Dollars

Note: One Subsidiary named IndianOil Creda Biofuels Ltd. has not been consolidated as the Management has decided to exit from this company which has been dissolved on 08.03.2018.

NOTE-46 PART - "B": STATEMENT OF SALIENT FEATURES OF THE FINANCIAL STATEMENT OF JOINTLY CONTROLLED ENTITIES AND ASSOCIATES (FORM AOC - I)

1	Name of the Associates / Joint Ventures	IOT Infrastructure & Energy Services Lmited	Lubrizol India Private Limited	Indian Oil Petronas Private Limited	Green Gas Limited	Indian Oil Skytanking Private Limited
2	Latest Audited Balance Sheet Date	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018
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
4	Shares of Associate / Joint Ventures held by the company on the year end					
i	No.	494828289	499200	134000000	23042250	25950000
ii	Amount of Investment in Associates / Joint Venture	723.98	61.71	134.00	23.04	73.28
iii	Extent of Holding %	49.38%	26.00%	50.00%	49.97%	50.00%
5	Description of how there is significant influence	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
7	Networth attributable to Shareholding as per latest audited Balance Sheet	499.66	144.50	582.00	145.32	71.55
8	Profit / (Loss) for the year (After Tax)	156.41	96.34	247.17	43.01	47.15
i	Considered in Consolidation	77.24	25.05	123.59	21.50	23.57
ii	Not Considered in Consolidation	79.17	71.29	123.58	21.51	23.58

(₹ in Crore)

Suntera Nigeria 205 Ltd.	Delhi Aviation Fuel Facility Private Limited	Indian Synthetic Rubber Private Limited	Indian Oil Ruchi Biofuels LLP	NPCIL - IndianOil Nuclear Energy Corporation Limited	GSPL India Transco Limited
31.12.2017	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018
09.05.2006	28.03.2010	06.07.2010	28.05.2010	06.04.2011	29.03.2013
2500000	60680000	222861375	Capital Fund	260000	99060000
0.05	60.68	222.86	1.60	0.26	99.06
25.00%	37.00%	50.00%	50.00%	26.00%	26.00%
Joint Control	Joint Control	Joint Control	Joint Control	Joint Control	Joint Control
Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated
(115.94)	75.85	71.65	0.00	0.32	100.89
(58.89)	48.96	15.21	0.00	0.07	1.35
(14.72)	18.12	7.61	0.00	0.02	0.35
(44.17)	30.84	7.60	0.00	0.05	1.00

1	Name of the Associates / Joint Ventures	GSPL India Gasnet Limited	IndianOil Adani Gas Private Limited	Mumbai Aviation Fuel Farm Facility Private Limited	Kochi Salem Pipelines Private Limited	Indian Oil LNG Private Limited
2	Latest Audited Balance Sheet Date	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018
3	Date of which Associate or Joint Venture was associated or acquired	29.03.2013	04.10.2013	09.10.2014	22.01.2015	29.05.2015
4	Shares of Associate / Joint Ventures held by the company on the year end					
i	No.	100625030	124000000	41888750	75000000	5000
ii	Amount of Investment in Associates / Joint Venture	100.63	124.00	41.89	75.00	0.01
iii	Extent of Holding %	26.00%	50.00%	25.00%	50.00%	50.00%
5	Description of how there is significant influence	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
7	Networth attributable to Shareholding as per latest audited Balance Sheet	102.34	114.49	56.80	71.31	-1.24
8	Profit / (Loss) for the year (After Tax)	0.90	-5.22	47.18	-2.08	-0.01
i	Considered in Consolidation	0.23	-2.61	11.79	-1.04	0.00
ii	Not Considered in Consolidation	0.67	-2.61	35.39	-1.04	-0.01

Following associates or joint ventures are yet to commence operations:

i) Suntera Nigeria 205 Ltd.

ii) NPCIL - IndianOil Nuclear Energy Corporation Limited

iii) GSPL India Gasnet Limited

iv) GSPL India Transco Limited

v) Kochi Salem Pipelines Private Limited

vi) Indian Oil LNG Private Limited

vii) Ratnagiri Refinery & Petrochemicals 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) IndianOil Panipat Power Consurtium Limited.

Hinduatan Urvarak and Rasayan Limited	Ratnagiri Refinery & Petrochemicals Limited	Avi-Oil India Private Limited	Petronet VK Limited	Petronet LNG Limited	Petronet India Limited
31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018
15.06.2016	22.09.2017	04.11.1993	21.05.1998	02.04.1998	26.05.1997
333250000	50000000	4500000	50000000	187500000	18000000
333.25	50.00	4.50	26.02	98.75	0.18
29.67%	50.00%	25.00%	50.00%	12.50%	18.00%
Joint Control	Joint Control	Associate	Associate	Associate	Associate
Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated
332.16	40.59	14.67	0.00	1226.41	0.49
1.15	-18.82	10.85	78.86	2110.44	2.07
0.34	-9.41	2.71	0.00	263.81	0.37
0.81	-9.41	8.14	78.86	1846.63	1.70

NOTE-47: ADDITIONAL INFORMATION FOR CONSOLIDATED FINANCIAL STATEMENTS AS PER SCHEDULE-III TO COMPANIES ACT, 2013

(₹ in Crore)

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	96.75%	110,171.02	96.20%	21,346.12	42.28%	397.36	94.02%	21,743.48
Subsidiaries								
Indian								
Chennai Petroleum Corporation Limited	3.51%	3,996.99	4.18%	927.22	0.67%	6.26	4.04%	933.48
Indian Catalyst Private Limited	0.01%	6.46	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Foreign								-
IndianOil (Mauritius) Limited	0.24%	277.90	0.10%	22.22	1.03%	9.66	0.14%	31.88
Lanka IOC PLC	0.80%	917.57	(0.17%)	(36.91)	(1.95%)	(18.33)	(0.24%)	(55.24)
IOC Middle East FZE	0.03%	37.73	0.03%	7.38	0.03%	0.25	0.03%	7.63
IOC Sweeden AB	0.41%	473.61	0.00%	(0.78)	8.59%	80.75	0.35%	79.97
IOCL (USA) Inc.	0.18%	200.46	(0.09%)	(19.03)	0.09%	0.88	(0.08%)	(18.15)
IndOil Global BV.	5.34%	6,078.06	(0.44%)	(100.96)	(3.00%)	(28.17)	(0.56%)	(129.13)
IOCL Singapore PTE Limited	5.14%	5,853.56	1.27%	282.49	55.70%	523.48	3.48%	805.97
Less: Minority Interests in all subsidiaries	1.89%	2,151.22	1.97%	436.90	(0.17%)	(1.63)	1.88%	435.27
Joint Venture								
Indian								
IOT Infrastructure & Energy Services Limited	0.44%	499.66	0.35%	77.24	(3.45%)	(32.40)	0.19%	44.84
Lubrizol India Private Limited	0.13%	144.50	0.11%	25.05	0.04%	0.35	0.11%	25.40
Indian Oil Petronas Private Limited	0.51%	582.00	0.56%	123.59	0.00%	(0.03)	0.53%	123.56
Green Gas Limited	0.13%	145.32	0.10%	21.50	0.03%	0.26	0.09%	21.76
Indian Oil Skytanking Private Limited	0.06%	71.55	0.11%	23.57	(0.03%)	(0.27)	0.10%	23.30
Delhi Aviation Fuel Facility Private Limited	0.07%	75.85	0.08%	18.12	0.00%	(0.01)	0.08%	18.11
Indian Synthetic Rubber Private Limited	0.06%	71.65	0.03%	7.61	0.03%	0.25	0.03%	7.86
Indian Oil Ruchi Biofuels LLP	0.00%	-	0.00%	-	0.00%	-	0.00%	-
NPCIL - IndianOil Nuclear Energy Corporation Limited	0.00%	0.32	0.00%	0.02	0.00%	-	0.00%	0.02
GSPL India Transco Limited	0.09%	100.89	0.00%	0.35	0.00%	-	0.00%	0.35
GSPL India Gasnet Limited	0.09%	102.34	0.00%	0.23	0.00%	-	0.00%	0.23
IndianOil Adani Gas Private Limited	0.10%	114.49	(0.01%)	(2.61)	0.00%	0.01	(0.01%)	(2.60)
Mumbai Aviation Fuel Farm Facility Private Limited	0.05%	56.80	0.05%	11.79	0.00%	-	0.05%	11.79
Kochi Salem Pipelines Private Limited	0.06%	71.31	0.00%	(1.04)	0.00%	-	0.01%	(1.04)
IndianOil LNG Private Limited	0.00%	(1.24)	0.00%	-	0.00%	-	0.00%	-
Hindustan Urvarak and Rasayan Limited	0.29%	332.16	0.00%	0.34	0.00%	-	0.00%	0.34
Ratnagiri Refinery & Petrochemicals Limited	0.04%	40.59	(0.04%)	(9.41)	0.00%	-	(0.04%)	(9.41)
Foreign								-
Suntera Nigeria 205 Ltd.	(0.10%)	(115.94)	(0.06%)	(14.72)	(0.07%)	(0.66)	(0.07%)	(15.38)
Associates								
Indian								
Avi-Oil India Private Limited	0.01%	14.67	0.01%	2.71	0.00%	0.01	0.01%	2.72
Petronet VK Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Petronet LNG Limited	1.08%	1,226.41	1.19%	263.81	0.01%	0.07	1.14%	263.88
Petronet India Limited	0.00%	0.49	0.00%	0.37	0.00%	-	0.00%	0.37
Intra Group Eliminations	(13.63%)	(15,522.14)	(1.58%)	(349.91	(0.17%)	(1.56)	(1.52%)	(351.47)
TOTAL	**100.00%**	**113,873.82**	**100.01%**	**22,189.45**	**100.00%**	**939.79**	**100.00%**	**23,129.24**

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) IndianOil Creda Biofuels Ltd. (Subsidiary) - [Dissolved on 08.03.2018]
   b) Petronet CI Ltd. (Joint Venture)
   c) IndianOil Panipat Power Consortium Ltd. (Joint Venture)
3. Group's share of profits in Petronet VK Limited amounting to ₹ 39.43 crore (2017: ₹ 0.44 crore) has not been recognised on account of non recognition of accumulated losses incurred by the associate in previous periods. The Groups's share of unaccounted accumulated losses as on 31st March-2018 stands at ₹ 42.67 crore (2017: ₹ 82.10 crore).

NOTE–48: ADDITIONAL DISCLOSURES BY GROUP COMPANIES

1 Impairment loss in respect of Cauvery Basin Refinery

The Group has refineries at two locations viz., Manali and Nagapattinam (Cauvery Basin Refinery). Consequent to implementation of BS- IV specifications on a pan India basis w.e.f 01.04.2017 and in the absence of secondary treatment facilities, the BS – III grade of diesel production from CBR would not be marketable in the local market, entailing significant coastal/export under recoveries, which has adversely impacted the profitability of CBR and hence the value in use is negative. Accordingly, in line with the requirements of Ind AS -36, an amount of ₹ 4.33 Crores has been accounted as impairment loss during the year , being the difference between the carrying value of additions during the year ₹ 33.45 Crores and the recoverable value of ₹ 10.04 Crores after adjusting the impairment loss of ₹19.09 Crores already accounted as part of Capital work in progress in previous year. This impairment loss has been recognised as part of Depreciation, Depletion and Amortisation of tangible and intangible assets in the statement of profit and loss as the carrying value of the assets is lower than the value in use/ estimated recoverable amount of this CGU. Total impairment loss recognized as on 31.03.2018 - ₹ 66.11 Crores. In estimating the value in use, the approximate weighted average capital cost has been considered as the discount rate used to calculate the net present value of the estimated future cash flows, which are subject to changes in the external environment. The fair value less cost of disposal used to determine the recoverable amounts of the impaired assets are classified as level 3 fair value measurements (As detailed in statement of significant accounting policy No 4), as the estimated recoverable amounts are not based on observable market data, rather, management's best estimates. The results of impairment test are sensitive to changes in key judgements, such as changes in commodity prices, future changes in alternate use of assets etc, which could result in increase or decrease of the recoverable amounts and result in additional impairment charges or recovery of impairment charged.

2 Wind Down of Pacific North West LNG Project

On July 25, 2017, Pacific Northwest LNG Ltd announced that the LNG Project will not proceed as previously planned due to the challenging environment brought about by the prolonged depressed prices and shifts in the energy industry. As a result, the Group has written off the ₹ 222.0 Crore capital investment in the LNG Project. Further, as per the Project Development Agreement ("PDA") with TransCanada to build Prince Rupert Gas Transmission Pipeline, on account of negative investment decision, ₹ 303.66 Crore was reimbursed to TransCanada incurred till date. ₹453.63 Crore being contingent consideration liability associated with the final investment decision of the natural gas liquefaction facility is now no more payable and charged to statement of profit and loss. Accordingly the developement plan of North Montney Joint Venture had also amended.

NOTE–49: OTHER DISCLOSURES

1 During the year, the Group has settled its liability for Entry Tax in the state of Haryana including interest thereon under "The Haryana One Time Settlement Scheme for Recovery of Outstanding Dues , 2017" and consequently an amount of ₹ 2813.96 Crore , being provision no more required, has been written back and included in provision for contingencies written back in other operating revenues (Refer Note 23.1).

2 As per Memorandum of Understanding (MOU) dated 16.02.2004 with Odisha Government, fiscal incentive were granted for Paradip Refinery project including interest free loan equivalent to Sales Tax payable to the state of Odisha for a period of 11 years from the date of commercial production which was later withdrawn by Odisha Government on 22.02.2017 and the matter was in dispute. The dispute has since been resolved and a revised interest free loan agreement has been signed with Odisha government dated 25.09.2017 where in Odisha government shall provide an interest free loan of ₹700 Crores per year for 15 years in quarterly installments of ₹ 175 Crores starting from 01.04.2016 repayable after 15 years. The first installment of loan for the period April 16 – December 17 of ₹ 1225 Crores and for the period Jan 18 – March 18 of ₹ 175 Crores has been received on 15.01.2018 and 31.03.2018 respectively. This loan, being interest free, is fair valued and related government grant is accounted for in line with the accounting policy.

3 The revision of Employees Pay and Allowances was due w.e.f 01.01.2017 and the presidential directive were issued on 13.10.2017 for implementation of the same. While most of the dues In respect of executives have been settled and the same for workmen's is under finalisation where liabilities have been ascertained on similar lines. An amount of ₹ 1150 Crore has been carried as liability as on 31.03.2018 towards pending dues on this account.

4 Goods and Services Tax (GST) has been implemented w.e.f 01.07.2017 wherein some of the petroleum products are still outside its ambit. Accordingly, GST is being levied on some products as against Excise Duty applicable hitherto. Since, excise duty is included in revenue and GST is not included in revenue. Thus to ensure comparability on applicable products, sales excluding excise duty is ₹ 504515.65 Crore and ₹ 439075.07 Crore for the year ended 31 March-2018 and 31 March-2017 respectively.

5 Consequent upon Honourable Allahabad High Court order dated 4th May 2018 in the matter of UP Entry Tax, the commercial tax authorities of Uttar Pradesh have raised demand for payment of arrears of unpaid entry tax and interest thereon. Based on such demand notices the group has made an additional provision of ₹ 293.71 crores towards interest on entry tax and ₹ 0.37 crores towards entry tax, over and above provision of ₹ 20,619.78 crores made upto 31.03.2018 including interest of ₹ 5379.58 crores. Against the provision of entry tax and interest thereon the group has already made payment of ₹11,947.61 upto 31.03.2018. The Group has paid additional principal amount of Entry tax of ₹ 3292.97 crores on 8th, 9th and 11th May 2018 and filled petition in the Honourable Allahabad High court, challenging the levy of interest. The company is evaluating other legal remedies available in the matter of UP entry tax and shall take appropriate measure in due course.

6 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 1st May 2016. The initial cost of ₹ 1600/- towards connections charges would be borne by the Central Government for each card holder. OMCs would provide an option for EMI/ Loans towards cost of burner and 1st refill to the PMUY consumers. In addition to the funding by the Central Government, few State Governments have also extended financial support towards cost of stove and/or 1st refill. The loan amount is recovered from the subsidy amount payable to the customers on each refill sale. The amount of subsidy per refill varies from market to market and month to month. The minimum subsidy per refill sale is ₹ 164 and maximum subsidy per refill sale is ₹ 414/- during the financial year 2017-18.

The amount of outstanding as on 31st March-2018 towards claim under PMUY claim from Central Government is ₹ 446.35 Crore (₹ 229.87 Crore as on 31st March-2017) and loan from PMUY consumers is ₹ 1099.70 Crore (₹ 751.04 Crore as on 31st March-2017) (net of recovery through subsidy). During the year, discounting of the loan has been done based on assumption of 4 refills in a year and deferment of recovery by one year and average subsidy of ₹ 180 per cylinder as loan recovery. Out of above loan a provision for doubtful amounting to ₹ 162.06 Crore (31st March-2017: Nil) has also been created during the year in respect of beneficiaries who have not taken refill for last one year.

7 M/s Indian Oil CREDA Biofuels Ltd, a joint venture company formed with Chhattisgarh Renewable Energy Developement Agency (CREDA) for Jatropha Plantation, has been struck off from the Register of the Companies and dissolved during the year 2017-18. The entire investment of ₹ 18.46 Crore has been written off and netted under the head "Profit on sale of investments (Net)" in other income. Further, provision recognised for dimunition in value of investment in past of ₹ 18.38 Crore is written back in other income under the head "Fair value gain on investement/Provision written back (Net)" (Refer Note 24)

8 During the year, the group has sold 24% stake in equity investment of Lubrizol India Private Limited (a JV company) for a sale consideration of ₹ 214.27 crore (cost of ₹ 56.96 crore) and accordingly has recognised a profit of ₹ 157.31 crore in Other Income under Head "Profit on Sale of Investments (Net)". Consequent to this, IOCL stake in the JV company has came down to 26%.

9 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 crore (Net Assets WDV of ₹ 61.55 Crore), consent of Niti Ayog has been received for the proposed formation of JV vide their letter dated 27 April 2018. As on 31 March-2018, the explosive business continued to be in operation.

10 Purchase of crude oil from Oil India Limited and and some other oilfields has been accounted for provisionally, pending finalization of agreements with respective parties. Adjustments, if any, will be made on finalization of agreements.

11 Transactions with other Oil Marketing Companies are jointly reconciled on an ongoing basis.

12 There are no significant subsequent events that would require adjustments or disclosures in the Financial Statements as on the Balance Sheet date.

13 Previous year's comparative figures have been regrouped wherever necessary. Figures in brackets indicate deductions.

For and on Behalf of Board of Directors

Sd/-	**Sd/-**	**Sd/-**
(Sanjiv Singh)	**(A. K. Sharma)**	**(Kamal Kumar Gwalani)**
Chairman	**Director (Finance)**	**Company Secretary**
DIN - 05280701	**DIN - 06665266**	**ACS - 13737**

As per our attached Report of even date

For S. K. MEHTA & CO.	**For V SANKAR AIYAR & CO.**	**For CK PRUSTY & ASSOCIATES**	**For V. SINGHI & ASSOCIATES**
Chartered Accountants	**Chartered Accountants**	**Chartered Accountants**	**Chartered Accountants**
(Firm Regn. No. 000478N)	**(Firm Regn. No. 109208W)**	**(Firm Regn. No. 323220E)**	**(Firm Regn. No. 311017E)**
Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
(CA. ROHIT MEHTA)	**(CA. G SANKAR)**	**(CA. CHANDRAKANTA PRUSTY)**	**(CA. ANRUDDHA SENGUPTA)**
Partner	**Partner**	**Partner**	**Partner**
M. No. 091382	**M. No. 046050**	**M. No. 057318**	**M. No. 051371**

Place: New Delhi
Date: 22nd May, 2018

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 2018.

The preparation of financial statements of Indian Oil Corporation Limited for the year ended 31 March 2018 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 22 May 2018.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) of the Act of the financial statements of Indian Oil Corporation Limited for the year ended 31 March 2018. 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. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on behalf of the

Comptroller and Auditor General of India

Sd/-

(Nandana Munshi)

Director General of Commercial Audit

& Ex-officio Member, Audit Board-II,

New Delhi.

Place: New Delhi

Date : 06th July 2018

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIAN OIL CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2018.

The preparation of consolidated financial statements of Indian Oil Corporation Limited for the year ended 31 March 2018 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 read with section 129(4) 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 22 May 2018.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) read with section 129(4) of the Act of the consolidated financial statements of Indian Oil Corporation Limited for the year ended 31 March 2018. We conducted a supplementary audit of financial statements of companies mentioned in Annexure A, but did not conduct supplementary audit of financial statements of companies mentioned in Annexure B for the year ended on that date. Further, Section 139(5) and Section 143(6) (b) of the Act are not applicable to the companies mentioned in Annexure - C being private entities/entities incorporated in foreign countries under laws, for appointment of their statutory auditors and for conduct of supplementary audit. Accordingly, C&AG has neither appointed the statutory Auditors nor conducted the supplementary audit of these companies. 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.

On the basis of my audit nothing signification has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report.

For and on behalf of

Comptroller & Auditor General of India

Sd/-

(Nandana Munshi)

Director General of Commercial Audit

& Ex-officio Member, Audit Board – II,

New Delhi

Place: New Delhi

Date: 16th July 2018

Annexure-A

Name of the company/subsidiary/JV/Associate companies of which supplementary audit conducted.

Sl. No.	Name of the Joint Venture/Subsidiary	Type of the Company
1.	Indian Oil Corporation Limited (IOCL)	Holding Company
2.	Chennai Petroleum Corporation Limited	Subsidiary
3.	Indian Catalyst Pvt. Limited (Formerly Indo Cat Private Ltd.)	Subsidiary
4.	Green Gas Limited	Joint venture
5.	Mumbai Aviation Fuel Facility Private Limited	Joint venture
6.	GSPL India Transco Limited	Joint venture
7.	GSPL India Gasnet Limited	Joint venture
8.	Kochi Selam Pipelines Private Limited	Joint venture
9.	Petronet India Limited	Associate
10.	Delhi Aviation Fuel Facility Private Limited	Joint venture
11.	Ratnagiri Refinery and Petrochemicals Limited	Joint venture
12.	Hindustan Urvarak and Rasayan Limited	Joint venture

Annexure B

Name of the company/subsidiary/JV/associate companies of which supplementary audit not conducted

Sl. No.	Name of the Joint Venture/Subsidiary	Type of the Company
1.	NPCIL-Indian Oil Nuclear Energy Corporation Limited	Joint venture

Annexure C

List of all subsidiaries/JV/associate companies to which Sec 139(5) and 143(6) (b) of Companies Act are not applicable.

Sl. No.	Name of the Joint Venture/Subsidiary	Type of the Company
1.	Petronet LNG Limited	Associate
2.	IOT Infrastructure & Energy Services Limited	Joint venture
3.	IndianOil Petronas Private Limited	Joint venture
4.	Lubrizol India Private Limited	Joint venture
5.	Avi-Oil India Private Limited	Associate
6.	IndianOil Skytanking Private Limited	Joint venture
7.	Indian Synthetic Rubber Private Limited	Joint venture
8.	IndianOil Adani Gas Private Limited	Joint venture
9.	IndianOil LNG Private Limited	Joint venture
10.	Petronet VK Limited	Associate
11.	IndianOil Panipat Power Consortium Limited	Joint venture
12.	Indian Oil Ruchi Bio Fuels LLP	Joint venture
13.	Petronet CI Limited	Joint venture

Entities incorporated outside India

Sl. No.	Name of the Joint Venture/Subsidiary	Type of the Company
1.	Lanka IOC PLC	Subsidiary
2.	Indian Oil (Mauritius) Ltd.	Subsidiary
3.	IOC Middle East FZE	Subsidiary
4.	IOC Sweden AB	Subsidiary
5.	IOCL (USA) Inc	Subsidiary
6.	IndOil Global B.V.	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: 022-26447616, Fax: 022-26447961, Email Id: investors@indianoil.in, Website: www.iocl.com

NOTICE

NOTICE is hereby given that the **59th Annual General Meeting** of the members of **INDIAN OIL CORPORATION LIMITED** will be held at **Nehru Centre Auditorium, Dr. Annie Besant Road, Worli, Mumbai – 400018** on **Wednesday,** the **29th August, 2018** at **1030 hrs.** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Standalone as well as Consolidated Financial Statement of the Company for the financial year ended March 31, 2018 together with Reports of the Directors and the Auditors thereon.

2. To declare the Final Dividend of ₹2/- per equity share for the year 2017-18 and to confirm the Interim Dividend of ₹19/- per equity share paid during the year 2017-18.

3. To appoint a Director in place of Shri G. K. Satish (DIN: 06932170), who retires by rotation and is eligible for reappointment.

SPECIAL BUSINESS

4. To appoint Shri B. V. Rama Gopal (DIN: 07551777) as Director (Refineries) of the Company.

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

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and 161(1) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Shri B. V. Rama Gopal (DIN: 07551777), who was appointed as an Additional Director and designated as Director (Refineries) by the Board of Directors with effect from 12.02.2018 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director (Refineries) of the Company, liable to retire by rotation."

5. To appoint Shri Ranjan Kumar Mohapatra (DIN: 08006199) as Director (Human Resources) of the Company.

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

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and 161(1) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of Association of the Company, Shri Ranjan Kumar Mohapatra (DIN: 08006199) who was appointed as an Additional Director and designated as Director (Human Resources) by the Board of Directors with effect from 19.02.2018 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director (Human Resources) of the Company , liable to retire by rotation."

6. To appoint Shri Vinoo Mathur (DIN: 01508809) as Independent Director of the Company.

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

   "RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and 161(1) read with Schedule IV & other applicable provisions, if any, of the Companies Act, 2013 and the rules notified thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Shri Vinoo Mathur (DIN: 01508809) who was appointed as an Additional Director and designated as Independent Director by the Board of Directors with effect from 22.09.2017 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company for a period of 3 years from the date of appointment by the Board, not liable to retire by rotation."

7. To appoint Shri Samirendra Chatterjee (DIN: 06567818) as Independent Director of the Company.

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

   "**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and 161(1) read with Schedule IV & other applicable provisions, if any, of the Companies Act, 2013 and the rules notified thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Shri Samirendra Chatterjee (DIN: 06567818) who was appointed as an Additional Director and designated as Independent Director by the Board of Directors with effect from 22.09.2017 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company for a period of 3 years from the date of appointment by the Board, not liable to retire by rotation."

8. To appoint Shri Chitta Ranjan Biswal (DIN: 02172414) as Independent Director of the Company.

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

   "**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and 161(1) read with Schedule IV & other applicable provisions, if any, of the Companies Act, 2013 and the rules notified thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Shri Chitta Ranjan Biswal (DIN: 02172414) who was appointed as an Additional Director and designated as Independent Director by the Board of Directors with effect from 22.09.2017 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company for a period of 3 years from the date of appointment by the Board, not liable to retire by rotation."

9. To appoint Dr. Jagdish Kishwan (DIN: 07941042) as Independent Director of the Company.

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

   "**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and 161(1) read with Schedule IV & other applicable provisions, if any, of the Companies Act, 2013 and the rules notified thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Dr. Jagdish Kishwan (DIN: 07941042) who was appointed as an Additional Director and designated as Independent Director by the Board of Directors with effect from 22.09.2017 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company for a period of 3 years from the date of appointment by the Board, not liable to retire by rotation."

10. To appoint Shri Sankar Chakraborti (DIN: 06905980) as Independent Director of the Company.

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

    "**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and 161(1) read with Schedule IV & other applicable provisions, if any, of the Companies Act, 2013 and the rules notified thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Shri Sankar Chakraborti (DIN: 06905980) who was appointed as an Additional Director and designated as Independent Director by the Board of Directors with effect from 22.09.2017 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company for a period of 3 years from the date of appointment by the Board, not liable to retire by rotation."

11. To appoint Shri D. S. Shekhawat (DIN: 07404367) as Independent Director of the Company.

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

    "**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and 161(1) read with Schedule IV & other applicable provisions, if any, of the Companies Act, 2013 and the rules notified thereunder (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Shri D. S. Shekhawat (DIN: 07404367) who was appointed as an Additional Director and designated as Independent Director by the Board of Directors with effect from 22.09.2017 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Independent Director of the Company for a period of 3 years from the date of appointment by the Board, not liable to retire by rotation."

12. To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2019.

    To consider and if thought fit to pass, with or without modifications, 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 ₹ 18.50 lakhs 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, 2019, be and is hereby ratified."

13. To approve issuance of Debentures on private placement basis.

To consider and if thought fit to pass, with or without modifications, the following resolutions as **Special Resolutions**:

"**RESOLVED THAT** pursuant to the provisions of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force) as well as rules prescribed thereunder, approval of the members be and is hereby accorded to the Board of Directors to issue secured / unsecured redeemable non-convertible bonds / debentures ("Bonds") of face value aggregating upto ₹ 20,000 crore (from domestic as well as overseas market) on private placement basis during a period of one year from the date of approval by members within the overall borrowing limits approved by members."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board / Committee of the Board or officers authorized by them in this regard be and are hereby authorized to do, from time to time, all such acts, deeds and things as may be deemed necessary in respect of issue of Bonds including but not limited to number of issues / tranches, face value, issue price, issue size, timing, amount, tenor, method of issuance, security, coupon / interest rate(s), yield, listing, allotment, appointment of various agencies and other terms and conditions of issue of Bonds as they may, in their absolute discretion, deem necessary."

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

Date: 16th July 2018

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

(Kamal Kumar Gwalani)
Company Secretary

NOTES

(a) A member entitled to attend and vote at the Annual General Metting (AGM) is entitled to appoint a proxy to attend and vote instead of himself. Such a proxy need not be a member of the company. Proxies, in order to be valid and effective, must be delivered at the registered office of the Company as per attached format, duly filled, stamped & signed not later than 48 hours before the commencement of the meeting.

As per the provisions of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

(b) A statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

(c) Members / Proxies / Authorised Representatives are requested to bring the attendance slip duly filled and signed along with copy of Annual Report to the meeting.

(d) The Annual Report duly circulated to the members of the Company, is also available on the Company's website at www.iocl.com.

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

(f) The Register of members and Share Transfer Books of the Company will remain closed from Thursday, 23rd August 2018 to Wednesday, 29th August, 2018 (both days inclusive) for the purpose of ascertaining the eligibility of members for payment of final dividend. The final dividend payable on Equity Shares, if approved by the members, will be paid to those members whose names appear on the Company's Register of members and as per beneficial owner's position received from NSDL & CDSL as at the close of working hours on 22nd August, 2018.

(g) Share transfer documents and all correspondence relating thereto, should be addressed to the Registrar and Transfer Agent (RTA), Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032. Tel. Nos.: (040) 67162222 ; Fax No.: (040) 23001153 ; E-mail Address : einward.ris@karvy.com ;

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

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

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

  (ii) For shares held in physical form - to the RTA at the address given at (g) above or at the registered office of the Company.

(j) Non-Resident Indian members are requested to inform the RTA at the address given at (g) above immediately about :

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

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

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

(l) As per the provisions of section 124(5) of the Companies Act, 2013, the dividend(s) which remains unpaid / unclaimed for a period of 7 years is 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 2009-10 to IEPF on the respective dates.

Further, section 124(6) of the Companies Act, 2013 read with rules made thereunder provide 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 shareholders, whose dividend had remained unpaid / unclaimed for a consecutive period of 7 years i.e. FY 2009-10 to 2016-17, with a request to claim the dividends, 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 30.11.17. The details of such shares are hosted on the website of the company www.iocl.com

It may please be noted upon completion of 7 years, the Company would transfer the unpaid / unclaimed dividend for the financial year 2010-11 in November, 2018. Further, the shares in respect of which dividend has remained unpaid / unclaimed for a consecutive period of 7 years i.e. from FY 2010-11 to 2017-18, would also be transferred to the demat account of IEPF authority in the month of November, 2018. 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. The members are requested to write to the RTA at the address given at (g) above or at the registered office of the Company for claiming the unpaid / unclaimed dividend.

Further, Section 125 of the Companies Act, 2013 provides that a shareholder whose dividend amount / shares have been transferred to the IEPF shall be entitled to claim refund therefrom. The procedure for claiming the unpaid dividend amount and shares transferred to the IEPF Authority is provided on the following link: http://www.iepf.gov.in/IEPFA/refund.html

(m) Pursuant to Section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, Annual Report of the Company has been sent through email to those members whose email ID is registered with the Company / Depository. In case any member wants a physical copy of the Annual Report, he may send a request to the Company Secretary at the Registered office of the Company or to the RTA at the address given in point no. (g) above. Those members who have not registered their email ID are requested to write to the RTA / their Depository Participant for registering the same.

(n) In terms of Section 108 of Companies, Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is providing the facility to its members to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice.

The cut-off date to be eligible to vote by electronic means is Wednesday, 22nd August 2018.

(o) Facility for E-Voting

(1) Details of the process and manner of e-voting along with the User ID and Password has been sent / are being sent to the members along with the notice:

- by email to those members whose email ID is registered with the Company / Depository Participant.

- by post to those members whose email ID is not registered with the Company / Depository Participant.

(2) The instructions and other information relating to e-voting are as under:

i. Launch internet browser by typing the URL: https://evoting.karvy.com .

- For first time users:
  - Enter the login credentials i.e. User ID and Password mentioned in the notice.
  - After entering these details appropriately, Click on "LOGIN".
  - You will now reach password change Menu wherein you are required to mandatorily change your password with a password of your choice that meets the criteria stated on the webpage.
  - You need to login again with the new password.
- For existing users already registered with Karvy for e-voting: Please use your existing User ID and password for logging in.

It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

ii. On successful login, the system will prompt you to select the "EVEN" i.e. **Indian Oil Corporation Limited**.

iii. On the voting page, enter the number of shares (which represents the number of votes as on the Cut Off date) under "FOR / AGAINST" / ABSTAIN" or alternatively, you may partially enter any number of votes in "FOR" and partially in "AGAINST" such that the total number of votes cast "FOR / AGAINST" taken together should not exceed your total shareholding.

iv. Voting has to be done for each item of the Notice separately. In case you do not cast your vote on any specific item it will be treated as abstain.

v. Members holding multiple demat accounts / folios shall choose the voting process separately for each demat account / folio.

vi. You may then cast your vote by selecting an appropriate option and click on "Submit".

vii. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).

viii. Corporate / Institutional members are required to send scanned certified true copy (PDF Format) of the Board Resolution/

Authority Letter etc., to the Scrutinizer at email ID: **ioclevoting2018@dholakia-associates.com** with a copy marked to evoting@karvy.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format **"IOCL 59 AGM".**

(3) The e-voting would commence on Friday, August 24, 2018 at 9:30 A.M. (IST) and end on Tuesday, August 28, 2018 at 05.00 P.M. (IST). During this period, the eligible members of the Company may cast their vote by electronic means in the manner and process set out herein above. The e-voting module shall be disabled for voting thereafter.

(4) Facility for voting would also be made available at the AGM venue. Members who cast their votes electronically should not vote at the AGM. However, in case a member votes electronically as well as at the AGM, the vote cast at the AGM will be ignored.

(5) In case of any query pertaining to e-voting, please visit Help & FAQ's section of https://evoting.karvy.com.

(6) The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company, as on the cut-off date.

(7) The Company has appointed Shri Nrupang Dholakia of Dholakia & Associates LLP, a practicing Company Secretary, as Scrutinizer and in his absence Shri B. V. Dholakia of Dholakia & Associates LLP to scrutinize the e-voting and poll process in a fair and transparent manner.

(8) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through e-voting in the presence of at least 2 (two) witnesses not in the employment of the Company and submit not later than two days of conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman of the Company or such other officer authorized by the Chairman.

(9) The Results on resolutions shall be declared within two days of the conclusion of the AGM and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.

(10) The results of voting along with the Scrutinizer's Report(s) thereon would be available on the website of the Company (www.iocl.com) and on Service Provider's website (https://evoting.karvy.com) immediately after the declaration of the results and would also be communicated simultaneously to the BSE Limited and the National Stock Exchange of India Limited.

A BRIEF RESUME OF DIRECTOR PROPOSED TO BE REAPPOINTED IS GIVEN BELOW:-

Item No. 3 - To appoint a Director in place of Shri G. K. Satish (DIN: 06932170), who retires by rotation and is eligible for reappointment.

Shri G. K. Satish, Director (Planning & Business Development), aged 57 years, was inducted on the Board on 01.09.2016. He is a Mechanical Engineer from NIT, Surat and a Post Graduate in Management from MDI, Gurgaon. He has over 30 years experience in various disciplines in IndianOil like Terminal Operations, Logistics, Shipping, International Trade, Business Development, Natural Gas Business, Human Resources and Corporate Communications. He oversees the company's expansion in business activities like Petrochemical and foray into the Exploration & Production, Natural Gas , Alternate Energy & Sustainable Development etc.

Details of Directorships in other companies	4
Membership / Chairmanship in the Committees of other companies	NIL
No. of Shares held in the company as on date	2172
Relationship between Directors inter-se	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. 4 - To appoint Shri B. V. Rama Gopal (DIN: 07551777) as Director (Refineries) of the Company.

Shri B. V. Rama Gopal, Director (Refineries), aged 59 years, was appointed as an Additional Director with effect from 12.02.2018 by the Board of Directors and designated as Director (Refineries), pursuant to Article 94(*l*) of the Articles of Association of the Company and Section 161(1) of the Companies Act, 2013 and holds office up to the date of this AGM.

Shri B. V. Rama Gopal is a Chemical Engineer from Osmania University, Hyderabad. He has over 34 years experience in various positions at Mathura, Haldia, Gujarat Refineries, Panipat Refinery & Petrochemical Complex and Refineries Headquarters. He has extensive work experience in Oil & Gas sector, which includes Project Management, Technical Services, Operations, Production, Planning & Co-ordination, Refineries and Petrochemicals. He has intricate knowledge and operating experience of both refineries and petrochemical units. Prior to joining as Director(Refineries), he was Executive Director In-Charge of India's largest integrated Refinery-cum-Petrochemical Complex at Panipat. During his tenure at Panipat, many new grades of polymers were added to IndianOil's products portfolio with important international OEM tie-ups for supplies.

Details of Directorships in other companies	2
Membership / Chairmanship in the Committees of other companies	NIL
No. of Shares held in the company as on date	17380
Relationship between Directors inter-se	None

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member signifying his intention to propose the name of Shri B. V. Rama Gopal as a candidate for the office of Director.

Shri B. V. Rama Gopal is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. None of the Directors / Key Managerial Personnel of the Company except Shri B. V. Rama Gopal is interested or concerned in the resolution.

The Board, therefore, recommends the Ordinary Resolution for approval by members.

Item No. 5 - To appoint Shri Ranjan Kumar Mohapatra (DIN: 08006199) as Director (Human Resources)of the Company.

Shri Ranjan Kumar Mohapatra, aged 54 years was appointed as an Additional Director with effect from 19.02.2018 by the Board of Directors and designated as Director (Human Resources), pursuant to Article 94(*l*) of the Articles of Association of the Company and Section 161(1) of the Companies Act, 2013 and holds office up to the date of this AGM.

Shri Ranjan Kumar Mohapatra is a Mechanical Engineer from BITS, Pilani and a Post-Graduate in Management from Xavier Institute of Management, Bhubaneswar. Shri Mohapatra has over three decades of experience in the petroleum industry and has handled various assignments in the Marketing Division of the Company including Terminal Operations, Supply Chain Management & Logistics. Shri Mohapatra was also one of the chief architects of the auto-fuel quality (BS-III/BS-IV) upgradation programmes of Oil Companies in India.

He was the Managing Director of IndianOil (Mauritius) Ltd., an overseas subsidiary of IndianOil, during 2012-2015 wherein he led a team of young professionals, registering sizeable growth in market share and profitability. Prior to joining as Director, he was head of IndianOil's West Bengal State Office wherein the Oil Companies released a record 10.5 lakh LPG connections for BPL households under "Pradhan Mantri Ujjwala Yojana" in the first 116 days of the scheme.

Details of Directorships in other companies	1
Membership/Chairmanship in the Committees of other companies	NIL
No. of Shares held in the company as on date	9600
Relationship between Directors inter-se	None

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member signifying his intention to propose the name of Shri Ranjan Kumar Mohapatra as a candidate for the office of Director.

Shri Ranjan Kumar Mohapatra is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. None of the Directors / Key Managerial Personnel of the Company except Shri Ranjan Kumar Mohapatra is interested or concerned in the resolution.

The Board, therefore, recommends the Ordinary Resolution for approval by members.

Item No. 6 - To appoint Shri Vinoo Mathur (DIN: 01508809) as Independent Director of the Company

Shri Vinoo Mathur, aged 69 years was appointed as an Additional Director with effect from 22.09.2017 by the Board of Directors and designated as Independent Director, pursuant to Article 94(*l*) of the Articles of Association of the Company and Section 161(1) of the Companies Act, 2013 and holds office up to the date of this AGM.

Shri Vinoo Mathur is a graduate in Science and Masters in Arts. He has also done a Post Graduation Diploma in Transport & Development from UK. He is currently a Senior Advisor to JICA Study Team conducting Follow-up studies for High Speed Rail Project between Mumbai and Ahmedabad. He is a Fellow Member of Institute of Rail Transport, Member of Centre for Transportation Management and Member of Chartered Institute of Logistics & Transport.

Shri Mathur has 44 years experience in various aspects of Railway Operations and Management as well as Commercial Management & Planning functions. He held various key positions in Indian Railways before superannuating as Member Traffic and ex-officio Secretary to Govt. of India. He also served as the Managing Director of Bharuch Dahej Railway Co. Ltd., a SPV created for the construction and subsequent management of a Rail Port Connectivity project in Gujarat from Bharuch to Dahej in a PPP framework.

Details of Directorships in other companies	NIL
Membership/Chairmanship in the Committees of other companies	NIL
No. of Shares held in the company as on date	NIL
Relationship between Directors inter-se	None

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member signifying his intention to propose the name of Shri Vinoo Mathur as a candidate for the office of Director.

Shri Vinoo Mathur is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. None of the

Directors / Key Managerial Personnel of the Company except Shri Vinoo Mathur is interested or concerned in the resolution.

The Board, therefore, recommends the Ordinary Resolution for approval by members

Item No. 7 - To appoint Shri Samirendra Chatterjee (DIN: 06567818) as Independent Director of the Company

Shri Samirendra Chatterjee , aged 65 years was appointed as an Additional Director with effect from 22.09.2017 by the Board of Directors and designated as Independent Director, pursuant to Article 94(*l*) of the Articles of Association of the Company and Section 161(1) of the Companies Act, 2013 and holds office up to the date of this AGM.

Shri Samirendra Chatterjee, an IAS Officer of 1976 batch, is a post graduate in Physics from St. Stephens College & M. Phil in Economics from Boston University. Shri Chatterjee has also done MBA from South Cross University, Australia. In a career spanning about 36 years, he worked in various capacities with State Government and Central Government before superannuating as Secretary, Ministry of Defence in 2012. He was also associated in various policy making processes, monitoring and implementation of such policies in an efficient and effective way. He was the First member (private investment) in NHAI and was instrumental in working out the economics of road privatization. He also held the position of Managing Director and Director (Govt. Nominee) in various state and central PSUs during his career including Director on the Board of Hindustan Shipyard Limited.

Details of Directorships in other companies	NIL
Membership/Chairmanship in the Committees of other companies	NIL
No. of Shares held in the company as on date	NIL
Relationship between Directors inter-se	None

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member signifying his intention to propose the name of Shri Samirendra Chatterjee as a candidate for the office of Director.

Shri Samirendra Chatterjee is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. None of the Directors / Key Managerial Personnel of the Company except Shri Samirendra Chatterjee is interested or concerned in the resolution.

The Board, therefore, recommends the Ordinary Resolution for approval by members

Item No. 8 - To appoint Shri Chitta Ranjan Biswal (DIN: 02172414) as Independent Director of the Company

Shri Chitta Ranjan Biswal, aged 65 years was appointed as an Additional Director with effect from 22.09.2017 by the Board of Directors and designated as Independent Director, pursuant to Article 94(*l*) of the Articles of Association of the Company and Section 161(1) of the Companies Act, 2013 and holds office up to the date of this AGM.

Shri Chitta Ranjan Biswal, is a post graduate in Physics and an IAS officer of 1981 batch of Andhra Pradesh cadre. He has handled various important assignments in the State of Andhra Pradesh which include Principal Secretary to the Government in departments like Panchayat Raj and Rural Development, Industries & Commerce Department, Higher Education Department, Agriculture and Co-op Department. He was also the Special Commissioner of Land Administration (CCLA) Hyderabad. Shri Biswal was also appointed as Chairman of Andhra Pradesh Public Service Commission, Hyderabad.

Details of Directorships in other companies	NIL
Membership/Chairmanship in the Committees of other companies	NIL
No. of Shares held in the company as on date	NIL
Relationship between Directors inter-se	None

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member signifying his intention to propose the name of Shri Chitta Ranjan Biswal as a candidate for the office of Director.

Shri Chitta Ranjan Biswal is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. None of the Directors / Key Managerial Personnel of the Company except Shri Chitta Ranjan Biswal is interested or concerned in the resolution.

The Board, therefore, recommends the Ordinary Resolution for approval by members

Item No. 9 - To appoint Dr. Jagdish Kishwan (DIN: 07941042) as Independent Director of the Company.

Dr. Jagdish Kishwan, aged 65 years was appointed as an Additional Director with effect from 22.09.2017 by the Board of Directors and designated as Independent Director, pursuant to Article 94(*l*) of the Articles of Association of the Company and Section 161(1) of the Companies Act, 2013 and holds office up to the date of this AGM.

Dr. Jagdish Kishwan is a post graduate in Mathematics and Forestry, and Ph D in "Mathematical Modeling of Resin Production". He is an Indian Forest Services Officer of 1975 batch of J&K Cadre. He was trained in "Tropical Agroforestry", "Participatory Forestry", and "Forestry Education" in the University of Edinburgh and University of Wolverhampton in the United Kingdom.

Dr. Jagdish Kishwan is an internationally acclaimed Climate Change and Forestry Specialist with deep knowledge of practical issues of Wildlife and Agroforestry. He was a distinguished member of the Indian Forest Service, held important assignments including that of the Director General, Indian Council of Forestry Research and Education (ICFRE). His last assignment before superannuation in September 2012 was Director Wildlife Preservation, Government of India. He was also the Chief policy Advisor with the Wildlife trust of India (WTI), a well known NGO working for conservation of wild life animals and their habitats.

Details of Directorships in other companies	NIL
Membership/Chairmanship in the Committees of other companies	NIL
No. of Shares held in the company as on date	NIL
Relationship between Directors inter-se	None

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member signifying his intention to propose the name Dr. Jagdish Kishwan as a candidate for the office of Director.

Dr. Jagdish Kishwan is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. None of the Directors / Key Managerial Personnel of the Company except Dr. Jagdish Kishwan is interested or concerned in the resolution.

The Board, therefore, recommends the Ordinary Resolution for approval by members

Item No. 10 -To appoint Shri Sankar Chakraborti (DIN: 06905980) as Independent Director of the Company

Shri Sankar Chakraborti, aged 47 years was appointed as an Additional Director with effect from 22.09.2017 by the Board of Directors and designated as Independent Director, pursuant to Article 94(*l*) of the Articles of Association of the Company and Section 161(1) of the Companies Act, 2013 and holds office up to the date of this AGM.

Shri Chakraborti, is a Physics graduate and an MBA from University of Burdwan, West Bengal. Shri Sankar Chakraborti is the Executive Director & Chief Executive Officer (CEO) of Acuité Ratings & Research Limited (erstwhile SMERA Ratings Limited). Acuité, an initiative of Govt. of India, is a full service credit rating agency, accredited by Reserve Bank of India (RBI) and registered with Securities & Exchange Board of India (SEBI). Shri Chakraborti is leading Acuité's transformation from being the only rating agency to a technology and innovation driven global knowledge and data company.

Prior to Acuité, Shri Chakraborti worked for CRISIL (as part of the founding team of CRISIL's Research (CRIS-Infac) and Bank Loan Rating businesses), Centre for Monitoring Indian Economy (CMIE) and Capital Market Magazine. He was also deputed to S&P's Tokyo office in 2006 and interacted extensively with foreign investors in APAC region.

Shri Chakraborti has more than two decades of experience in developing and selling data, analytics, risk management, and financial research solutions. Shri Chakraborti is a member of the Working Group constituted by the Insolvency and Bankruptcy Board of India for recommending the strategy and approach for implementation of the provisions of the Insolvency and Bankruptcy Code, 2016. He is also a member of FICCI's Capital Markets Committee and IBA's Standing Committee on MSMEs.

Details of Directorships in other companies	2
Membership/Chairmanship in the Committees of other companies	NIL
No. of Shares held in the company as on date	NIL
Relationship between Directors inter-se	None

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member signifying his intention to propose the name Shri Sankar Charaborti as a candidate for the office of Director.

Shri Sankar Chakraborti is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. None of the Directors / Key Managerial Personnel of the Company except Shri Sankar Chakraborti is interested or concerned in the resolution.

The Board, therefore, recommends the Ordinary Resolution for approval by members

Item No. 11 - To appoint Shri D. S. Shekhawat (DIN: 07404367) as Independent Director of the Company

Shri Dharmendra Singh Shekhawat, aged 46 years was appointed as an Additional Director with effect from 22.09.2017 by the Board of Directors and designated as Independent Director, pursuant to Article 94(*l*) of the Articles of Association of the Company and Section 161(1) of the Companies Act, 2013 and holds office up to the date of this AGM.

Shri Dharmendra Singh Shekhawat, is a Commerce Graduate and a practicing Chartered Account in Jaipur. He has over 15 years of experience in carrying out Audit of Banks, Charitable and Educational Institutes etc. He also specializes in Direct / Indirect Tax Consultancy and Project financing.

Details of Directorships in other companies	NIL
Membership/Chairmanship in the Committees of other companies	NIL
No. of Shares held in the company as on date	NIL
Relationship between Directors inter-se	None

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member signifying his intention to propose the name Shri Dharmendra Singh Shekhawat as a candidate for the office of Director.

Shri Dharmendra Singh Shekhawat is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. None of the Directors / Key Managerial Personnel of the Company except Shri Dharmendra Singh Shekhawat is interested or concerned in the resolution.

The Board, therefore, recommends the Ordinary Resolution for approval by members.

Item No. 12 - To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2019.

The Board, on the recommendation of the Audit Committee, has approved the appointment of the following Cost Auditors at an aggregate remuneration of ₹ 18.50 Lakhs 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, 2019:

Sl. No.	Name of the Cost Auditor	Audit Fees (₹)
1.	Chandra Wadhwa & Co., New Delhi	3,75,000
2.	Bandyopadhyaya Bhaumik & Co., Kolkata	3,25,000
3.	Mani & Co., Kolkata	3,50,000
4.	R. J. Goel & Co., New Delhi	3,50,000
5.	ABK & Associates, Mumbai	3,00,000
6.	Vivekanandan Unni & Associates, Chennai	1,50,000
	TOTAL	**18,50,000**

In accordance with the provisions of Section 148 of the Companies Act, 2013 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, 2019. None of the Directors / Key Managerial Personnel of the Company is interested or concerned in the resolution.

The Board, therefore, recommends the Ordinary Resolution for approval by members

Item No. 13 - To approve issuance of Debentures on private placement basis.

Section 42 of the Companies Act, 2013 and Rule 14 (2) of the Companies (Prospectus and Allotment of Securities) Rules 2014 provide that a company shall not make private placement of its securities unless the proposed offer of securities or invitation to subscribe securities has been previously approved by the members of the company by a Special Resolution for each of the offers or invitations. However debentures can be issued on private placement basis with the approval of the members obtained once in a year for all the offers or invitation for such debentures during the year.

IndianOil has been raising money by issue of Bonds in the nature of Debentures from domestic as well as overseas markets from time to time to meet its capital expenditure as well as working capital requirements. Hence approval of members through Special Resolution is being sought in line with the provisions of the Companies Act 2013, as amended, to enable the company to issue Bonds in the nature of Debentures upto ₹ 20,000 Crore (from domestic as well as overseas market) in aggregate, through private placement of Bonds as it may deem necessary during the period of one year from the date of approval by members within the overall borrowing limit of ₹ 1,10,000 Crore approved earlier by members.

None of the Directors / Key Managerial Personnel of the Company are interested or concerned in the resolutions.

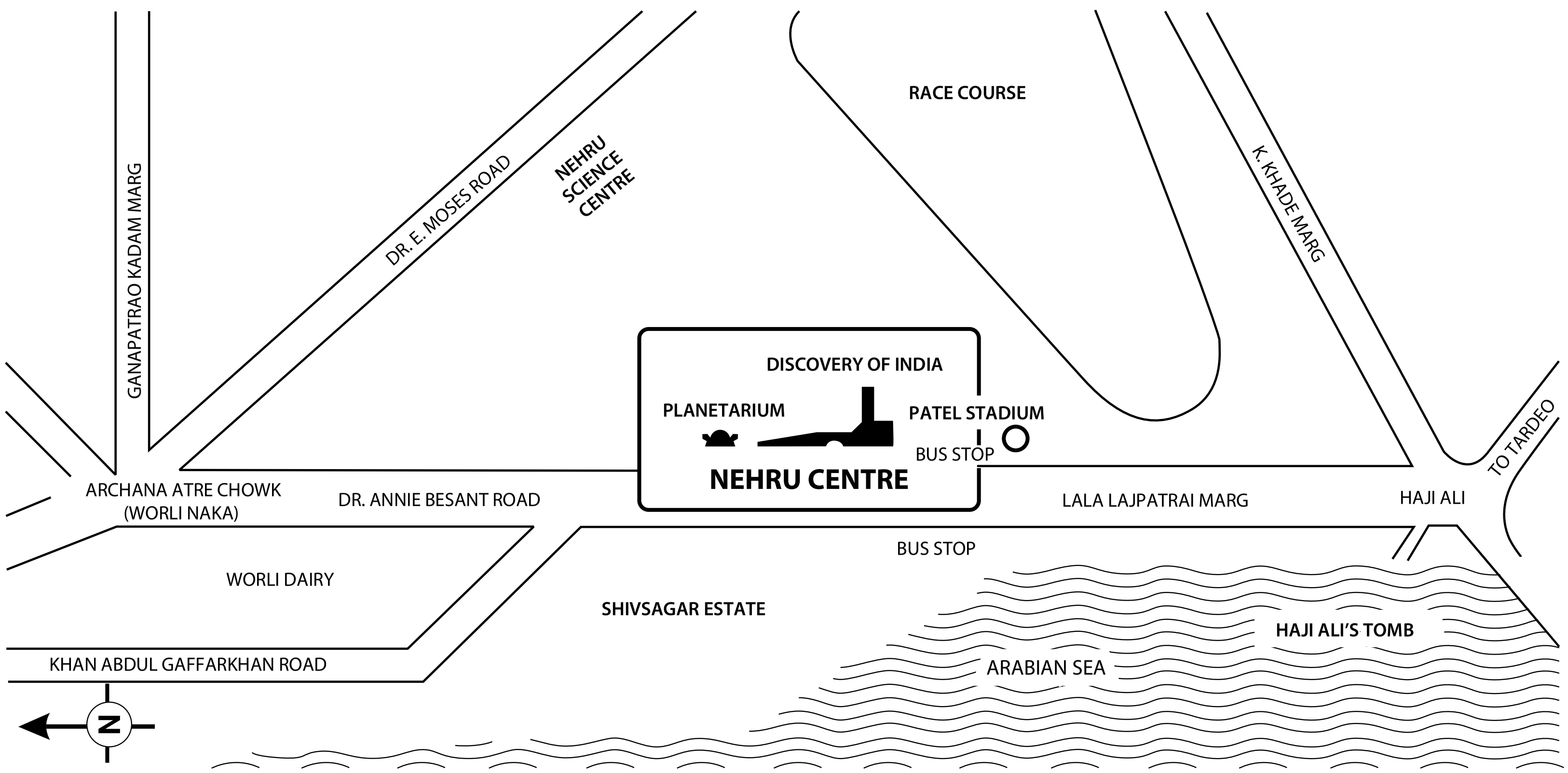
The Board, therefore, recommends the Special Resolutions for approval by members

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

Date: 16th July 2018

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

(Kamal Kumar Gwalani)
Company Secretary



Location Map of Nehru Centre

IndianOil

INDIAN OIL CORPORATION LIMITED

[CIN – L23201MH1959GOI011388]

Regd. Office: 'IndianOil Bhavan', G-9, Ali Yavar Jung Marg, Bandra (E), Mumbai - 400051
Tel: 022-26447616, Fax: 022-26447961, Email Id: investors@indianoil.in, Website: www.iocl.com

ATTENDANCE SLIP

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

* Applicable for members who are holding shares in dematerialized form.

I/We hereby record my / our presence at the 59th Annual General Meeting of the Company, being held on Wednesday, 29th August 2018 at 10:30 a.m. at **Nehru Centre Auditorium, Dr. Annie Besant Road, Worli, Mumbai – 400018**

Name of the Member

Signature of the Member

Name of the Proxy

Signature of the Proxy

NOTES:

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

INDIAN OIL CORPORATION LIMITED

[CIN – L23201MH1959GOI011388]

Regd. Office: 'IndianOil Bhavan', G-9, Ali Yavar Jung Marg, Bandra (E), Mumbai - 400051
Tel: 022-26447616, Fax: 022-26447961, Email Id: investors@indianoil.in, Website: www.iocl.com

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014

Name of the member(s)	
Registered Address	
Email id	
Folio No. / Client Id *	
DP ID *	

* Applicable for members who are holding shares in dematerialized form.

I/We, being the member(s) of ………………… shares of the above named company, hereby appoint

1) ……………………………………………of……………………………………………having email id…………………………………………… or failing him

2) ……………………………………………of……………………………………………having email id……………………………………………or failing him

3) ……………………………………………of……………………………………………having email id……………………………………………

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 59th Annual General Meeting of the Company, to be held on Wednesday, 29th August 2018 at 10:30 a.m. at Nehru Centre Auditorium, Dr. Annie Besant Road, Worli, Mumbai – 400018 and at any adjournment thereof in respect of such resolutions as are indicated below:

SL. NO.	RESOLUTIONS
	ORDINARY BUSINESS
1	To receive, consider and adopt the audited Standalone as well as Consolidated Financial Statement of the Company for the financial year ended March 31, 2018 together with Reports of the Directors and the Auditors thereon.
2	To declare the Final Dividend of ₹2/- per equity share for the year 2017-18 and to confirm the Interim Dividend of ₹19/- per equity share paid during the year 2017-18.
3	To appoint a Director in place of Shri G. K. Satish (DIN: 06932170), who retires by rotation and is eligible for reappointment.
	SPECIAL BUSINESS
4	To appoint Shri B. V. Rama Gopal (DIN: 07551777) as Director (Refineries) of the Company.
5	To appoint Shri Ranjan Kumar Mohapatra (DIN: 08006199) as Director (Human Resources) of the Company.
6	To appoint Shri Vinoo Mathur (DIN: 01508809) as Independent Director of the Company.
7	To appoint Shri Samirendra Chatterjee (DIN: 06567818) as Independent Director of the Company.
8	To appoint Shri Chitta Ranjan Biswal (DIN: 02172414) as Independent Director of the Company.
9	To appoint Dr. Jagdish Kishwan (DIN: 07941042) as Independent Director of the Company.
10	To appoint Shri Sankar Chakraborti (DIN: 06905980) as Independent Director of the Company.
11	To appoint Shri D. S. Shekhawat (DIN: 07404367) as Independent Director of the Company.
12	To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2019.
13	To approve issuance of debentures on private placement basis **(Special Resolution)**.

Signed this …………….......... day of …………….......... 2018.

Affix Revenue Stamp

……………………………………

Signature of Member

……………………………………………… ……………………………………………… ………………………………………………

Signature of first proxy holder | Signature of second proxy holder | Signature of third proxy holder

NOTE: This Proxy Form duly filled in must be deposited at the Registered Office of the Company at IndianOil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai - 400051 not less than 48 hours before the commencement of the Annual General Meeting.

IndianOil | 2018 YEAR OF TRUST

33,157 IOCians in NATION'S SERVICE

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at BPC, IPHO, New Delhi-110002, under CPMG, Delhi Circle,
License No. DEL/BDM/IPHO/IOCL/1/27-07-2018 to
05-08-2018/86,000/52 dated 16-07-2018

इंडियनऑयल
IndianOil

If undelivered, please return to:
Company Secretary,
Indian Oil Corporation Limited
Regd. Office: IndianOil Bhavan, G-9, Ali Yavar Jung Marg,
Bandra (East), Mumbai - 400051

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