

annual report
1975-76

INDIAN OIL CORPORATION LIMITED



CONTENTS

Directors' Report	5
Report of the Auditors	21
Balance Sheet	23
Profit and Loss Account	25
Schedules A to O	27
Notes on the Accounts	39
Schedules Q to V	43
Statements relating to Subsidiary Companies, Annual report of IOL and Annual Report of IOBL	48
Assets - Township	49
Income and Expenditure - Township	51
Comments on the Accounts	53
Annexure to the Directors' Report	56
Annual Report of IOIL	59
Annual Report of IOBL	79



BOARD OF DIRECTORS:

C. R. Das Gupta
R. N. Bhatnagar
S. B. Budhiraja
R. M. Bhandari
S. Vasudevan
L. Kumar
C. Venkataramani
A. K. Ghosh
P.C. Mittra
Rajni Patel
N. S. Ramaswamy
S. M. Nanda

SECRETARY:

D. B. Puri

BANKERS:

State Bank of India

JOINT AUDITORS:

MIs. S. B. Billimoria & Co.
MIs. Ray and Ray.

BRANCH AUDITORS:

M/s. Suri & Co.
M/s. Walker Chandiook & Co.
M/s. N. D. Kapur & Co.

REGISTERED OFFICE AND MARKETING

DIVISION HEADQUARTERS:

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

MARKETING DIVISION

REGIONS:

Bombay, New Delhi, Calcutta, Madras

REFINERIES & PIPELINES

DIVISION HEADQUARTERS:

Indianoil Bhavan, Janpath
New Delhi - 110001

REFINERIES:

Gauhati (Assam), Barauni (Bihar), Jawaharnagar
(Gujarat), Haldia (West Bengal),
Mathura (U. P.) - under construction.



NOTICE

Notice is hereby given that the 17th Annual General Meeting of the Indian Oil Corporation Limited will be held at the Company's Registered Office at 254-C, Dr. Annie Besant Road, Prabhadevi, Bombay 400 025 at 1400 hours on Tuesday, the 14th September, 1976 to transact the following business:

Index

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet, Profit & Loss Account and Reports of the Auditors and Directors thereon for the financial year ended 31st March, 1976.
2. To declare the dividend.
3. To appoint Director in place of Shri S. Vasudevan, who retires at the end of the Annual General Meeting and is eligible for re-appointment.
4. To appoint Director in place of Shri L. Kumar, who retires at the end of the Annual General Meeting and is eligible for re-appointment.
5. To appoint Director in place of Shri C. Venkataramani, who retires at the end of the Annual General Meeting and is eligible for re-appointment.
6. To appoint Director in place of Shri A. K. Ghosh, who retires at the end of the Annual General Meeting and is eligible for re-appointment.
7. To appoint Director in place of Shri P. C. Mitra, who retires at the end of the Annual General Meeting and is eligible for re-appointment.
8. To appoint Director in place of Prof. N. S. Ramaswamy, who retires at the end of the Annual General Meeting and is eligible for re-appointment.
9. To appoint Director in place of Shri Rajni Patel, who retires at the end of the Annual General Meeting and is eligible for re-appointment.
10. To appoint Director in place of Admiral S. M. Nanda, who retires at the end of the Annual General Meeting and is eligible for re-appointment.

By Order of the Board,

D. B. PURI
Secretary.

Bombay, Dated: 26th August, 1976.

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



DIRECTORS' REPORT 1975-76

	1975-76	1974-75	1973-74
TO			
THE SHAREHOLDERS OF			
INDIAN OIL CORPORATION LIMITED			
Gentlemen,			
On behalf of the Board of Directors of your Corporation, I have pleasure in placing before you the 17th Annual Report on the working of the Corporation for the financial year 1975-76 alongwith the audited Statement of Accounts.			
	Profit before		
	depreciation	81.54	70.50
	Depreciation	25.87	19.74
	Net profit before		
	tax	55.67	50.76
	Provision for		
	taxation	27.00	21.50
	Less : Excess		
	relating to		
	previous years		
	written back	4.50	-
	Net profit after		
	taxation	33.17	29.26
	Add/deduct		
	prior year		
	adjustments	(-) 3.26	(+) 1.38
	Net profit	29.91	30.64
			9.81

FINANCIAL RESULTS:

The profit before tax for the year under review is Rs. 55.67 crores as against Rs. 50.76 crores and Rs. 41.55 crores during the years 1974-75 and 1973-74 respectively. The comparative figures of gross profits, interest, depreciation and provision for taxation are as under :-

	(Rs. in crores)		
	1975-76	1974-75	1973-74
Gross profit			
before			
depreciation			
and interest	86.66	79.23	60.71
Interest	5.12	8.73	3.87
	(Rs. in crores)		

The profit for the year 1975-76 has been maintained at the level of previous year despite the effect of the new pricing system based on OPC's recommendations which came into force on 14th July, 1975 under which the profits of both Marketing and Pipelines Operations have been considerably reduced.

The total sales during the year were 18.4 million



kilo litres as against 18.3 million kilo litres and 17.3 million kilo litres for the years 1974-75 and 1973-74 respectively. The position of profit including carried forward from last year is as follows :-

made. After taking into account the payments and adjustments of Rs. 6.05 crores to Government and others and excluding the amount of Rs. 43.76 crores in respect of National Iranian Oil Company, the net increase in unse-

	Rs.	Rs.	Rs.
Balance of profit carried forward from last year			11,436
Profit for the year before tax but after provision for Bonus to employees		55,67,31,625	
Less: Provision for taxation	27,00,00,000		
Less: Excess provision for taxation relating to previous years written back	4,50,00,000	22,50,00,000	
		<u>33,17,31,625</u>	
Less: Prior year adjustments		3,26,26,053	
Balance			29,91,05,572
Disposable surplus			<u><u>29,91,17,008</u></u>

Out of the disposable surplus indicated above, your Directors recommend the following appropriations :-

	Rs.
Provision for Development	
Rebate Reserve	1,59,26,678
Proposed Dividend	5,69,41,760
Transfer to General Reserve	22,62,00,000
Balance carried forward	48,570
Total	<u><u>29,91,17,008</u></u>

An amount of Rs. 59,26,678 has been transferred from Development Rebate Reserve to General Reserve, keeping in view the provisions of Income Tax Act.

FINANCE:

During the year, the Corporation received further loans of Rs. 14 crores from the Government, Rs. 4.85 crores from Oil Industries Development Board and an adjustment of Rs. 1.63 crores from Foreign Credit for exchange rate fluctuation was also

cured loans amounted to Rs. 14.43 crores. The bank over draft as on 31st March was nil which resulted in a reduction of Rs. 23.56 crores in secured loans. After taking into account these adjustments, and the retained profits of Rs. 24.22 crores, the net increase in internal resources amounted to Rs. 15.09 crores which are reflected in the total capital employed by the Corporation as on 31st March, 1976, being Rs. 261.44 crores as against Rs. 246.35 crores (excluding NIOC Rs. 43.76 crores) in the previous year. The additional resources are represented as under:

	Rs. in crores
Increase in the net fixed assets	24.38
Less -	
(i) Reduction in investments	0.01
(ii) Reduction in working capital (excluding Rs. 43.76 crores paid to Govt. towards NIOC loan)	<u>9.28</u>
	<u>9.29</u>
	<u><u>15.09</u></u>



OUTSTANDINGS:

The outstandings during the year under review further decreased to Rs. 48.48 crores from Rs. 54.04 crores in the previous year. Efforts are being made to bring down the level of outstandings.

REFINERIES & PIPELINES

DIVISION:

REFINERIES:

During the year 1975-76, all the four operating Refineries of the Corporation at Gauhati, Barauni, Gujarat and Haldia processed higher quantities of crude oil as compared to all the previous years. The total throughput achieved was 92,30,736 tonnes which was a record throughput having an increase of 17.4 per cent over the previous year. The above quantity includes an increase in processing of indigenous crude also by 7,98,543 tonnes.

The table below gives the comparative picture of the targeted throughputs for the year 1975-76, actual throughputs achieved and the throughputs recorded during the past two years i.e. 1973-74 and 1974-75:

3. A new product i.e. S.R. Naphtha has been introduced in the refinery for which facilities for production and despatch were completed during the year.
4. The technical suitability of LSHS as fuel for Assam State Electricity Board's Chandrapura Power Station has been successfully established and accepted. The product recovery of the refinery will improve further when ASEB starts its regular upliftment of LSHS.
5. The construction of a comprehensive effluent treatment plant for biological and chemical treatment of refinery effluents is in progress. This plant is expected to be commissioned during the current year.
6. The refinery was given a runners-up award by the President of India in March 1976 for achieving a continuous accident free period of 162 days during the year 1973-74. The refinery has again established a new record of 164 days on 26th April, 1976 as the longest accident-free period.
7. During the year, the refinery faced a serious crisis concerning water supply for refinery's operation. The river Brahmaputra, which is the

(Figures in tonnes)

	Gauhati	Barauni	Gujarat	Haldia
Targeted Throughput				
1975-76	8,00,005	29,38,000	41,30,000	14,00,000
Actual Throughput				
1975-76	8,27,244	29,49,077	41,06,667	13,47,748
1974-75	7,55,009	28,23,753	37,91,196	4,93,762
1973-74	7,65,029	26,37,339	35,82,744	—

Special Features, Achievements & Future Plan:

A. GAUHATI REFINERY:

1. The crude distillation and kerosene refining units of the refinery processed an all time record quantity of feed stock. The throughput of Coking Unit was also higher by 15.6 per cent as compared to the throughput attained in 1974-75.
2. The production of LPG improved from 2,007 tonnes in 1974-75 to 3,102 tonnes in the year 1975-76.

source of water to the refinery shifted its course further away from the in-take point during the winter months. This necessitated dredging of a long channel to bring water to the in-take point. This work was successfully accomplished by the refinery.

B. BARAUNI REFINERY:

1. During the year, the refinery processed all the crude made available to it. Apart from this, the throughputs attained in Coking, Phenol Extraction and Coke Calcination



units were higher by 15.8, 6.8, 31.8 per cent respectively over the levels achieved during 1974-75.

2. The production of two speciality products i.e. Phenol Extract (a feed stock for carbon black manufacture) and Calcined Coke (a vital raw material for aluminium industry) increased by 15.7 and 39 per cent respectively over the levels achieved in 1974-75.
3. A new black oil gantry for loading of products was commissioned during the year. Work for re-vamping of white oil tank truck and tank car loading gantries is also in progress, which will help to reduce the loading periods enabling better utilisation of rolling stock.
4. Even though the furnace of Barauni Re-refinery's Coking Unit is not designed for carrying out steam air decoking operations, a scheme for the same was indigenously designed and executed. Adoption of this technique is expected to improve the service factor of the coking unit, which is a vital secondary processing unit.
5. The newly set up plant for the chemical treatment of the refinery's effluent was commissioned during the year and the oil content of the treated effluent has been brought down to much below the tolerance limits.

C. GUJARAT REFINERY:

1. The refinery for the first time crossed the throughput of 4 million tonnes of crude oil.
2. LPG production went upto an all time high of 89,861 tonnes - an increase of 18 per cent over 1974-75.
3. In order to boost the sales of LSHS, number of new customers were developed during the year and facilities for supplying the product in tank trucks were commissioned in July, 1975.
4. A pilot plant for the production of aluminium rolling oil, is being put up which when com-

missioned will help in import substitution.

GUJARAT REFINERY EXPANSION:

1. The process design work is almost complete. The cumulative progress of the detailed engineering work is about 64 per cent. Orders for procurement of most of the equipment and materials from indigenous and from foreign countries have been finalised. The work on site grading roads and tank pads is almost complete and in case of civil and structural work in units and offsites the progress is about 75 per cent.
2. Other works such as fabrication and erection of storage tanks, underground cooling water system, drainage system, cooling tower, heater fabrication and erection are in progress.
3. The overall progress of the construction jobs is about 28 per cent. The detailed project report and revised cost estimates have been submitted to the Government for approval. As per the present progress and delivery commitments made by various vendors, the mechanical completion of the expansion project is expected to be achieved by last quarter of 1977.

D. HALDIA REFINERY:

1. The Vis-breaking unit was commissioned in October 1975 and is in operation since then. As a result of the commissioning of this unit, the yield of middle distillates progressively increased by 4 per cent.
2. Mineral turpentine oil and pre-FDA grade Jute Batching oil were successfully produced.
3. Finished products movement by barges commenced during the year.
4. Mechanical completion of the Bitumen Unit and all the units of the Lube block of the refinery have been achieved. The trial operations have been programmed for the units which are likely to commence before the end of this year.

Index



5. LPG production/despatches recorded substantial improvement during the year. Arrangements are in hand to augment the storage by 1500 M³ to take care of the increased production.

E. MATHURA REFINERY PROJECT:

1. USSR Portion:

The contract for the supply of equipments and materials and technical assistance during construction and commissioning of the refinery at a total cost of Rs. 17.40 crores was signed with Messrs. Neftechimpromexport on 24th September, 1975. The delivery of equipments and materials is scheduled to commence from mid - 1976. Working drawings are under preparation and are scheduled to be supplied in phases and completed by March, 1977.

2. Non-USSR Portion:

The design and engineering for on site units and off site facilities, not covered in USSR scope of work, is being done by Messrs. Engineers India Ltd., and is in progress. Action has been taken for procurement of equipment and materials.

3. Power Plant:

Messrs. BHEL who have been entrusted with the supply and construction of the power plant on a turn-key basis have made considerable progress in detailed design/engineering of Turbo-generator sets and associated facilities, mechanical system design of coal and ash handling facilities.

4. Site activities:

Entire land of 1,054 acres for the refinery and 216 acres for the township has been acquired and fenced. In addition to the city office, one site-office has already been established and is in occupation by IOC/EIL personnel.

Investigations at site in respect of soil-exploratory tube wells, seismicity etc. are in progress. Works contracts have been finalised for construction of temporary facilities such as site offices, canteen, warehouses, sheds, barracks for CISF, Railway siding, temporary water and power supply etc.

Construction work on 176 houses and 24 room hostel and allied works in the township are in progress and are expected to be completed by January, 1977. As per the schedule, the refinery shall be mechanically completed by December 1979 and shall be ready for commissioning by April 1980.

Technical Audit:

The Technical Audit activities and Energy conservation measures have been intensified in all our refineries by successful implementation of the target setting procedures for product recovery and consumption of fuel and utilities. For erection of additional facilities/ process modifications, more emphasis is being laid on time bound schedules and programmes.

F. MAINTENANCE & INSPECTION CELL:

The Maintenance and Inspection Cell established at the Head Office has been assisting the refineries in improving the maintenance planning and procedures, inspection, corrosion control and import substitution. The down time of the processing units has been well within the permissible limits.

G. IMPORT SUBSTITUTION:

As in the previous years, great emphasis continued to be laid on import substitution through our active participation in the activities of the Technical Development Committee comprising of representatives from Petroleum Refineries/ Fertilizers/ Petrochemical industries in both private and public sectors. Notable items for which indigenous vendors have been developed are furnace heaters, tube hangers, alloy steel impellers and pipe fittings, process pumps for high temperature and pressure burner assemblies etc. which were so far being imported. We have also started manufacturing high value items like tube bundles in our workshop.

PIPELINES:

1. Operations:

The overall performance of the network of pipelines owned by the Corporation was higher during the year under review as compared to the last year. Even compared to targets of the year, performance is much better. Against the total target of 38,22,000 MTs, actual throughput was 38,33,111 MTs. The statement given on next page presents the comparative picture -



Product Pipelines	Year	Targets	Throughput figures (in MT)
Barauni-Kanpur	1973-74	12,44,000	13,39,206
	1974-75	17,19,000	16,19,996
	1975-76	16,88,000	16,75,918
Haldia-Mourigram-Rajbandh	1973-74	4,52,000	3,95,967
	1974-75	5,50,000	6,24,111
	1975-76	7,61,000	7,67,828
Gauhati-Siliguri	1973-74	4,22,000	4,12,399
	1974-75	4,48,000	4,20,542
	1975-76	4,15,000	4,67,388
Barauni-Haldia	1973-74	4,50,000	3,95,187
	1974-75	4,00,000	3,13,082
	1975-76	1,46,000	1,51,703
Koyali-Ahmedabad	1973-74	7,20,000	6,74,526
	1974-75	7,39,000	7,13,006
	1975-76	8,12,000	7,70,274

2. Achievements:

(i) Barauni-Kanpur Section:

This pipeline has surpassed all the previous pumping quantities during the year under review. It has pumped 16,75,918 MTs of different products which works out to 93 per cent of designed capacity.

(ii) Haldia-Mourigram-Rajbandh Section:

During the year under review, a new product-MTO was successfully pumped in January, 1976 by this pipeline for the first time.

(iii) Gauhati-Siliguri Pipeline:

This pipeline had the record pumping of 4,67,388 MTs (against the target quantity of 4,15,000 MTs) which is higher since its inception.

3. PROJECTS:

Salaya-Koyali-Mathura Crude Oil Pipeline:

During the year, balance 20 per cent survey work of Viramgam-Mathura Section has been completed and cadestral survey work is in hand.

Most of the design, engineering, construction contract works for the S-V-K-Section was completed and construction contract for laying 18" pipeline from Viramgam to Koyali was awarded to Messrs. Dodsai Private Limited on 3rd March, 1976, whereas tenders for construction of Salaya-Viramgam Pipeline and the steel storage tanks at Salaya Shore Terminal have been floated. Tender documents for the construction of submarine pipeline and single buoy mooring system is under preparation. The mainline pump units, instruments, valves and other accessories for pump station of Phase-I construction has been tendered out.

HSL has supplied 18" pipes for Viramgam Koyali Section. A contract was signed on 10th October, 1975 with Messrs. British Steel Corporation, U.K. for the supply of submarine pipeline, shore pipeline and 28" land pipeline from Salaya to Viramgam. Their supplies commenced arriving at the site. HSL has geared up to roll 24" line pipes required for Viramgam-Mathura Section.



4. (i) Telecommunication System for Salaya-Viramgam-Kanpur Section:

Offers for multichannel UHF telecommunication system for Salaya-Viramgam- Koyali section of the Salaya-Mathura Pipeline Project have been received from Messrs. Bharat Electronics Limited, Ghaziabad & Messrs. Indian Telephone Industries, Bangalore which are under consideration.

(ii) Modernisation of Telecommunication for Haldia-Barauni-Kanpur Pipeline:

Messrs. Bharat Electronics Limited, Ghaziabad are installing this system on turn-key basis. Civil Works for this project has been completed to the extent of 75 per cent. Erection of towers and power supply is in progress. System design, manufacture of main radio equipment and multiplexing equipment have been completed.

INVENTORY:

The inventory of stores and spares held at Gauhati, Barauni, Gujarat and Haldia Refineries at the' end of the year 1975-76 as compared to 1974-75 was as under:-

	31-3-1975	31-3-1976
	(Rs. in lakhs)	
Gauhati	155.79	170.93
Barauni	443.37	590.80
Gujarat	177.69	290.41
Haldia	128.68	328.01

The increase in the inventory is largely due to Haldia Refinery going on regular production during the year, import of chemicals for the trial run of Lube Sector of Haldia Refinery, receipt of large consignment of chemicals towards the end of the year, sharp increase in the cost of imported chemicals and additives and receipt of large consignments of spares from Russia for Gujarat and Barauni Refineries at considerably higher cost.

PERSONNEL AND INDUSTRIAL RELATIONS:

The total strength of the Refineries and Pipelines Division as on 31st March, 1976 was 7,529 (1,110 officers and 6,419 workmen). During the year, the

industrial relations were cordial. A three-year settlement governing service conditions of workmen was concluded in April/ May 1975 with the recognised unions. Workers participation was encouraged in selected areas of the Refineries broadly on the lines of the model scheme announced by the Government.

TRAINING:

A full-fledged Training Department is now functioning at all the operating Refineries to meet the long-term and short-term training needs of the employees at these refineries. As a part of the Management Development Programme, a number of offers were sponsored for various training courses within and outside the Company. Under the 20 Point-Programme of the Prime Minister, we have achieved an all-time high record throughput of crude oil in all our refineries as also the product recoveries. The training facilities at all our refinery units have been expanded. Talks by Family Planning experts and exhibitions were also organised.

MARKETING DIVISION:

CAPITAL INVESTMENTS:

Tankages at installations and bulk depots:

As on March 31, 1976, the Corporation had 17 port installations, 8 pipeline installations, one inland installation and 109 bulk depots. Total tankage at the installations and bulk depots at the end of the year was 18.60 lakh KLs as against 17.39 lakh KLs in the previous year. (The throughput of all products during 1975-76 was 201.81 lakh KLs as against 196.40 KLs during the previous year.)

New Installations and Depots:

The 2nd phase of Mangalore installation has been constructed and commissioned. Badnera depot with a total tankage of 2,980 KLs is ready for commissioning.

Decoiling Plant, Madras:

Decoiling plant, which is being set up to avoid getting the decoiling work done through outside agencies, is expected to be ready shortly at an approximate cost of Rs. 44 lakhs.



LPG Bottling Facilities:**(i) Shakurbasti Bottling Plant:**

The capacity of this plant has been increased from 3,500 cylinders per shift to 5,000 cylinders per shift. 4 x 80 tons capacity LPG pressure vessels and other allied facilities have been commissioned.

(ii) Kanpur Bottling Plant:

This bottling plant is being set up with 2 x 80 MT capacity bullets and allied facilities. A mini-plant of 2 x 10 MT capacity has already been installed and commissioned in July, 1975 with a filling capacity of 1,000 to 1,200 cylinders per shift.

LPG Transport Facilities:

To increase the movement of LPG in bulk by road, 16 additional tank-trucks were commissioned by November 1975. The procurement of 66 tank-wagons on joint ownership basis with Railways is in progress.

TANK-TRUCK OPERATIONS:

For the first time, the Corporation has introduced truck-trailer combination on experimental basis. The fleet of Corporation owned tank-trucks under operation was 265 during the year 1975-76 as against 267 in 1974-75. The average KM covered per tank-truck per month went up to 3,252 KM from 3,108 KM in 1974-75.

SAFETY & FIRE FIGHTING:

During the year, further steps like Safety Inspection and Safety Training were taken to consolidate the working of the Safety Organisation through the Safety Cells set up in the Head Office and Regions.

INVENTORY CONTROL:

Steps were taken to keep the inventory at optimum level. By consistent efforts, inventory levels of petroleum products including lubricating oils and base stocks were reduced by Rs. 23.79 crores during the year as compared to the previous year. Surplus materials, equipment and old vehicles which were obsolete/ surplus/unserviceable valued at Rs. 16.50 lacs were disposed of during the year.

SALES:

The overall industry sales of petroleum products during the year 1975-76 was 27.26 million KLS indicating an increase of 1.6 per cent over the preceding year. IOC's market participation in 1975-76 was 63.8 per cent as against 64.2 per cent during 1974-75.

During the year, the Corporation continued to maintain equitable and economic distribution of petroleum products in close coordination with the Central and State Governments.

CUSTOMER SERVICE - FUEL EFFICIENCY

The Corporation made further efforts to improve its services to its customers. As a result of the follow-up made for the implementation of recommendations of studies earlier conducted in collaboration with National Productivity Council and DGTD, 80 of the customers have achieved the savings of Rs. 1.4 crores during the year due to better fuel efficiency. The Corporation undertook similar studies for the conservation of High Speed Diesel Oil by the State Transport Undertakings. The Corporation set up at the Head Office and Regional/District Offices customer service cells for promptly attending to the complaints/enquiries from customers.

RETAIL:

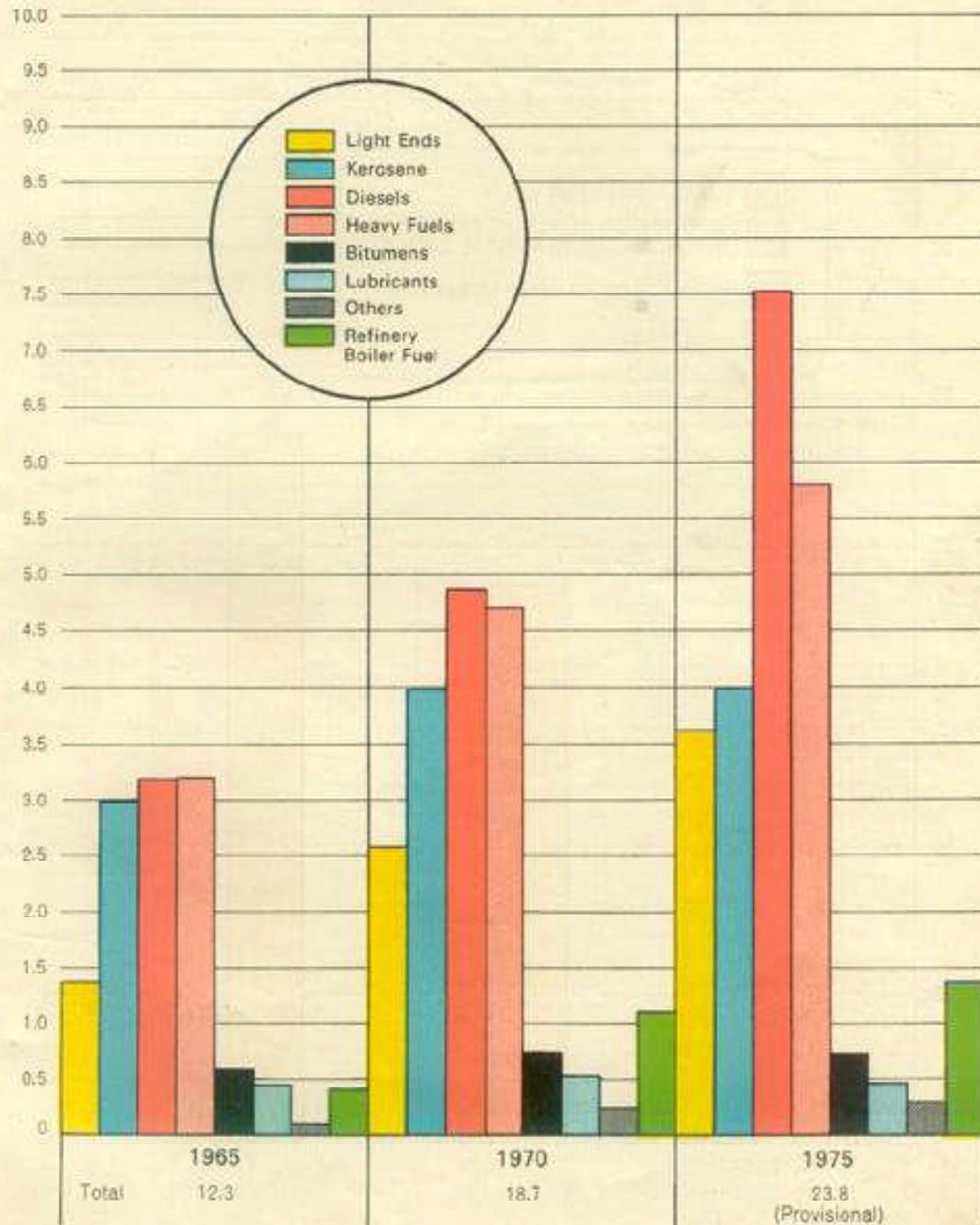
During the year, 80 new retail outlets were commissioned. Taking into account retail outlets decommissioned, the total number of retail outlets as on 31st March, 1976 was 3,628. The Corporation increased its market participation in Motor Spirit from 23.2 per cent in 1974-75 to 24.4 per cent in 1975-76. With approximately 34 per cent of the total number of retail outlets, our market participation in High Speed Diesel Oil was 42.3 per cent. Under the scheme of selling selected automobile accessories through retail outlets, a sale of about Rs. 170 lakhs worth of such accessories during the year 1975-76 has been made.

We have converted selected retail outlets as multi-purpose distribution centres in the rural areas for selling fertilizers, non-scheduled drugs and controlled cloth. Besides, certain

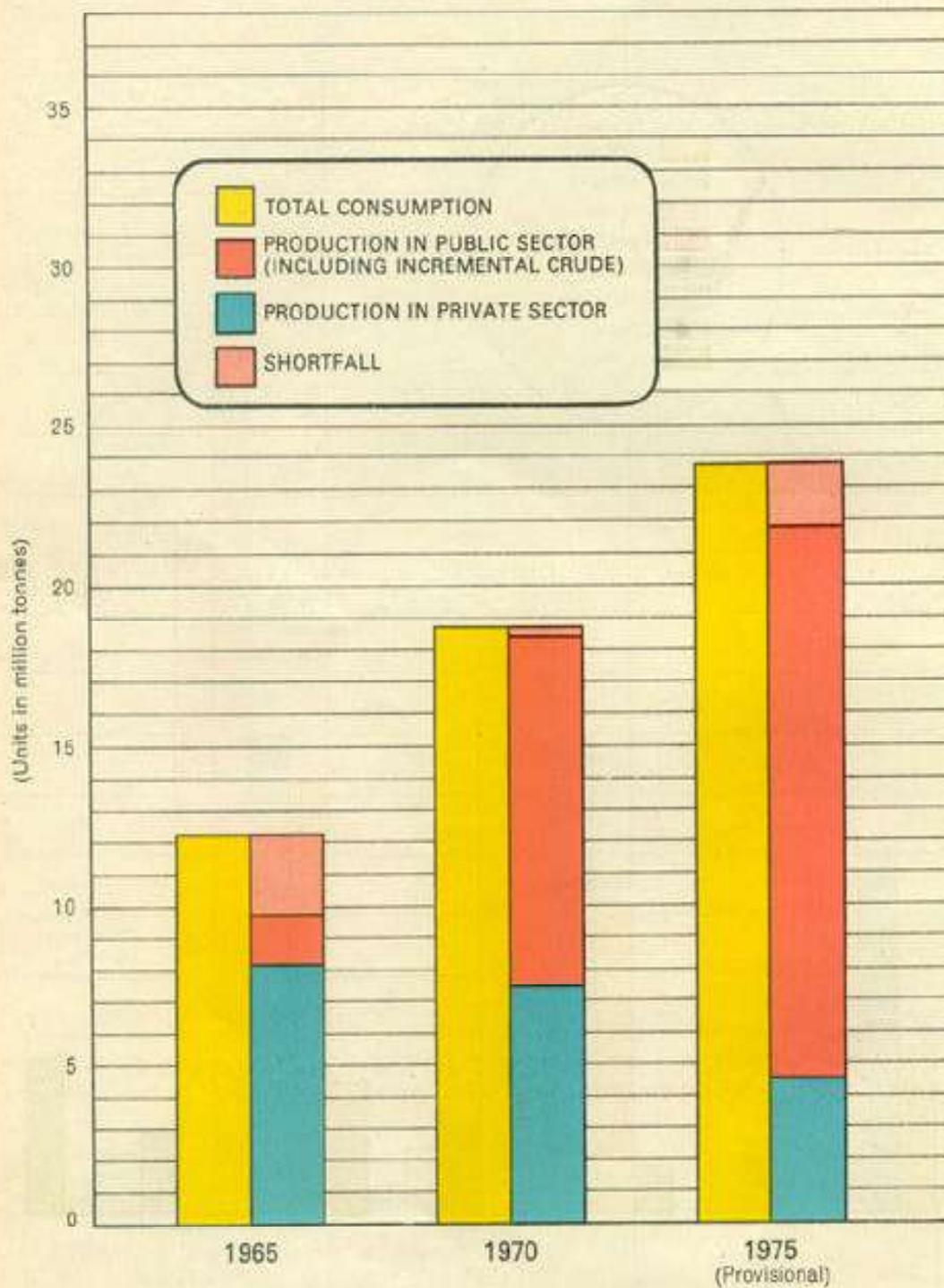


CONSUMPTION PATTERN OF PETROLEUM PRODUCTS IN INDIA

UNITS IN MILLION TONNES



CONSUMPTION AND PRODUCTION OF PETROLEUM PRODUCTS IN INDIA



other essential requirements such as pesticides/insecticides and general merchandise are also being sold through these multi-purpose centres. As on 31-3-1976, IOC had 132 multipurpose distribution centres and it is proposed to add another 110 centres during the year 1976-77. The services of a part-time doctor are also available at 14 multi-purpose distribution centres.

Award of Dealership/Distributorship:

The Corporation continued to award dealerships under the Social Objective Schemes. Thus, as of March 1976, Corporation had 877 such dealerships - 136 having been commissioned during 1975-76. Out of these, 560 have been commissioned under the Defence Personnel Scheme, 280 under the unemployed Graduate Scheme and 37 under the Scheduled Castes/Tribes Scheme.

Special Products:

The sale of special products viz. LSHS/HHS, Naphtha, Benzene, Toluene, Mineral Turpentine Oil, Raw/Calcined Petroleum Coke, Phenol Extract, Iomex and Slack Wax totalled about 3.53 million KLs during the year 1975-76 as compared to 3.03 million KLs during the previous year. An installation is being built at Bassein, near Bombay, which is likely to be commissioned by February 1977. It is planned to supply about 3,20,000 MTs of LSHS ex Koyali to Bombay customers presently consuming Furnace Oil.

Liquefied Petroleum Gas:

In 1975-76, sales rose to 1,58,000 MTs, 29.4 per cent higher than in the previous year. Our market participation was 47.1 per cent. During the year, the Corporation achieved a record enrolment of 2,62,000 customers. At the end of March 1976, the Corporation was meeting the requirements of 1240 lakh customers spread over 195 towns with a network of 385 distributors. Also customer surveys through outside agencies were conducted for locating areas of deficiency and taking remedial measures. A safety film entitled "Safety with Cooking Gas" was made and released in February 1976 for exhibition.

IMPORTS:

During the year 1975-76, the Corporation imported 19.49 lakh MTs of finished petroleum products and 0.65 lakh MTs of lubricants at an approximate value of Rs. 176.05 crores and Rs. 11.88 crores respectively, as compared to imports during 1974-75 of 26.40 lakh MTs of finished petroleum products and 0.99 lakh MTs of lubricants valued at Rs. 188 crores and Rs. 17.33 crores respectively. Out of the imports during 1975-76, the Rupee source imports amounted to Rs. 126.41 crores.

EXPORTS:

During the year 1975-76, the Corporation exported about 1,34,138 MTs of Naphtha and Asphalt earning foreign exchange of Rs. 11.00 crores. Asphalt was exported for the first time to Kuwait and Burma. The export of 44,550 MTs of Asphalt during the year represents a substantial increase over the figure of 16,733 MTs exported during the previous year. Besides this, 28,300 MTs of petroleum products valued at Rs. 3.52 crores and 77,457 MTs of petroleum products valued at Rs. 14.53 crores were exported to Bangladesh and Nepal respectively.

An amount of Rs. 25.55 crores was realised for supplies of 1.85 lakh MTs of Aviation fuels to International Airlines and bunkers to Foreign Flag Vessels.

SHIPPING:

Crude oil imports of 7.5 million tonnes were made during the year as against 4.7 million tonnes in the previous year. The total tonnage under time charter was about 4,75,000 tonnes for transportation of crude oil and petroleum products. Lighterage operations were started during the year resulting in considerable savings in freight. Under-recoveries on coastal movements which stood at about Rs. 20 lakhs during 1974-75 were eliminated during the year.

INLAND DISTRIBUTION:

Significant improvements were made in the sphere of Inland Distribution during the year. The number of tank wagons loaded by the Corporation were 3,86,928 during the year, as compared to 3,64,114'



in the year 1974-75 showing an increase of 6.26 per cent. the number of employees over the previous year.

LUBRICATING OILS:

The Corporation's sales of lubricants and greases during the year was 2.51 lakh KLs as against 2.70 lakh KLs in the previous year, thus registering a drop of 7.0 per cent as against the industry drop of 8.84 per cent. Periodical coordination meetings and seminars were held with major public utility/ industrial concerns such as Steel Plants, Railways, Electricity Boards, etc. for improving supplies and for rendering prompt technical assistance. Field evaluation and seminars were regularly organised to focus the scope of optimum utilisation of lubricants.

Servo brand of premium lubricants has received wide acceptance in the market. Inventory control of raw materials and finished lubricants was constantly reviewed resulting in substantial reduction in the working capital.

The technical assistance and collaboration agreement between Castro Limited, U.K. and IOC was signed in February 1976. This envisages the transfer of basic know-how and technology in the field of manufacture, marketing research and development of special oils and lubricants.

AVIATION:

During the year 1975-76, the sale of ATF by the Corporation was 8,66,300 KLs as against 8,21,300 KLs during the year 1974-75. Market participation of the Corporation was 76 per cent during the year as against 77 per cent during the previous year. The Corporation continues to be exclusive marketer of Aviation Gasolenes. Quality Control and Safety continue to receive the highest priority in the aviation operations. A new Hydrant system was commissioned at Calcutta.

PERSONNEL:

The total strength of the Marketing Division as at the end of the year was 9,500 (1,900 officers and 7,600 workmen) as against 9,283 (1,875 officers and 7,408 workmen) during the previous year. There has been an increase of 2.34 per cent in

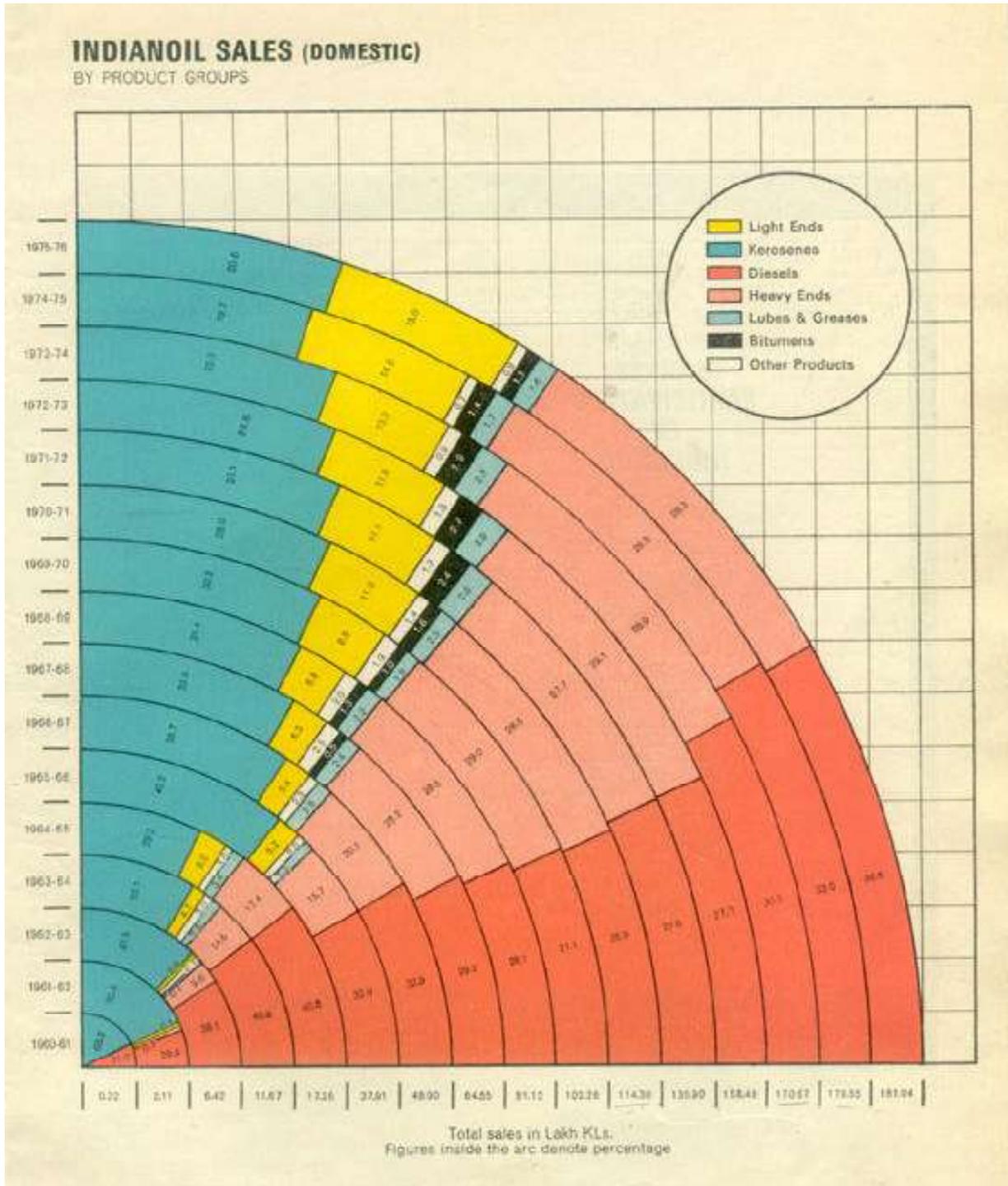
INDUSTRIAL RELATIONS AND WELFARE:

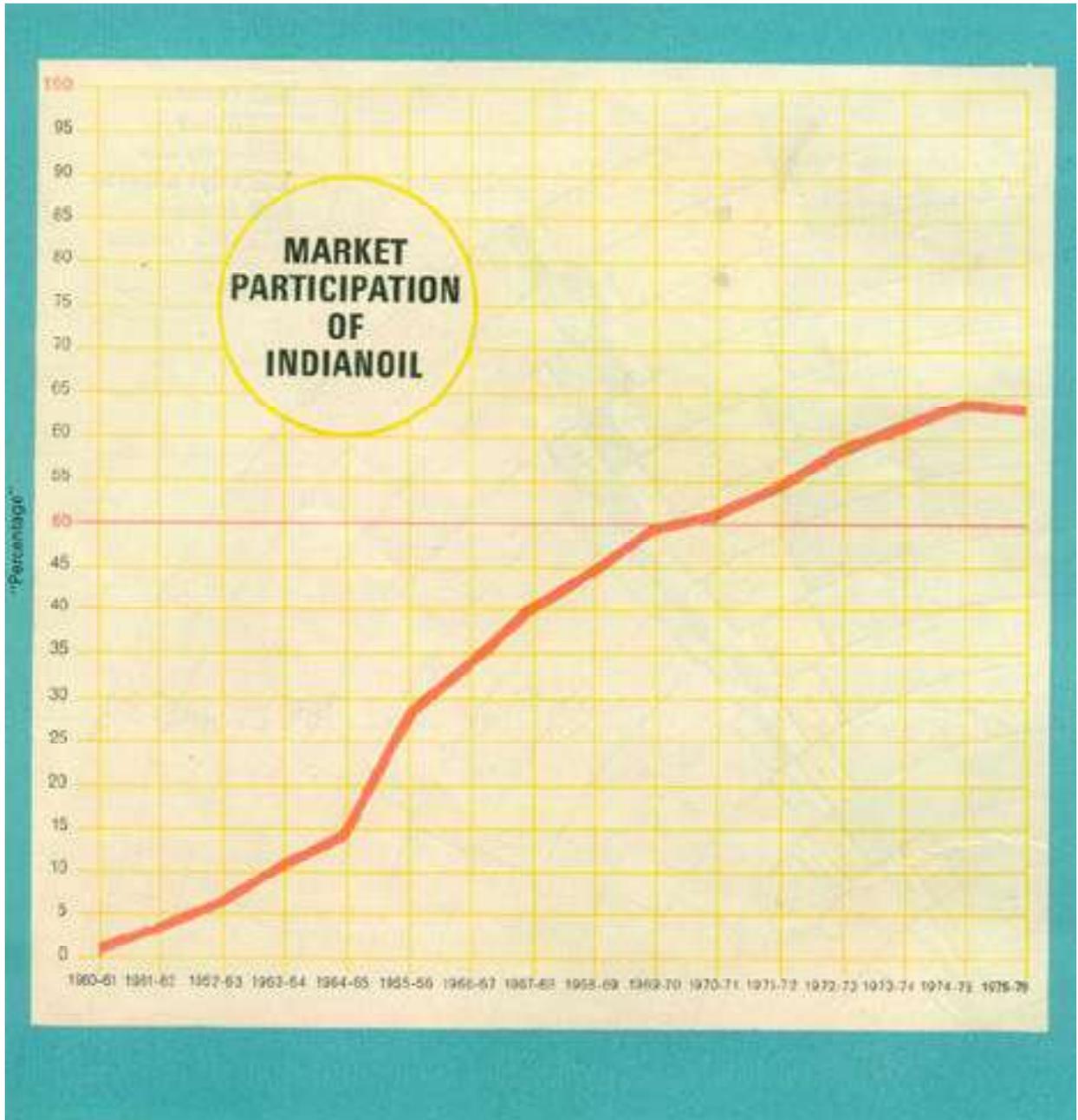
During the year 1975-76, the industrial relations were cordial. The total number of man-days lost during the year was only 41 as against 4,443 during the previous year. Seminars on Workers Participation in line with the 20-Point Programme of the Prime Minister were organised at the four Regions of the Marketing Division. The concept of Family Planning was given wide publicity, besides giving cash incentives to support these efforts. Housing Loans were granted to 314 employees during the year. The cooperative societies of the Corporation showed good working results. The management extended full support and help and also gave financial assistance of Rs. 50,000 to the employees of the Corporation for starting a new Society, namely, Indian Oil Employees Welfare Co-operative Society Limited. The object of the Society is to provide social security for survivors in the event of death or total disability of an employee.

TRAINING:

The Corporation continues to pay attention to the growth and development of its employees through on-the-job and formal training. During the year, 244 training programmes were conducted for 2,858 employees. A three day seminar on Commercial Aspects of Decision Making was organised for Senior Managers. Exhibition of a film series on "The Effective Executive" by Peter Drucker for senior and middle Managers was organised at Head Office and at Regions. In collaboration with IIM, Bangalore, a special 4 week training programme on Operations Research " was conducted on a residential basis at Bangalore. Nine training courses on " Petroleum Storage, Handling and Distribution " and "Aviation Operation and Quality Control Procedures" were conducted for 144 Defence personnel. Unit Level Classes were conducted in the Corporation under the guidance of the Central Board of Workers' Education. The number of workers trained







during the year was 120 and so far Corporation has trained about 1,431 workmen.

MANAGEMENT SERVICES:

Several efficiency research studies were conducted during the year on various aspects of the working of the Marketing Division including improvements in systems and procedures and manpower requirements. The major studies related to Tanker Performance/Analysis, Reduction of GMR tankages, Reduction in transportation costs, Inventory Control, distribution of lubricants and Ocean losses.

RESEARCH & DEVELOPMENT CENTRE:

Tenders for the main complex are under scrutiny and construction of the same is expected to start soon. Orders for the main equipment have been placed. Imported equipment of the value of Rs. 78.9 lakhs has already been received. Imported equipment installed and commissioned are Dension Tribo-Tester, Amsler machine, Talysurf-4, Admiralty rig and SKF R2F Rig and CLR Engine.

The Railroad oil Servo RR 402 was accepted by Railways. The trials of cylinder oil evaluated in steam locomotives of Railways have been successful and its import substitution is likely to result in saving of Rs. 3 crores of foreign exchange. An improved design of kerosene wick stove having 25 per cent higher thermal efficiency was worked out and is being patented for commercial use. OMD-113 oil formulation with HPC base stocks has been developed and qualified by the Admiralty. Motor oils with optimised formulations have been introduced, resulting in saving of imported additives. Servogear super formulated with MRL stocks was qualified by US Army. A rust preventive oil is being evaluated by Bokaro and Rourkela Steel Plants. Two refrigerating compressor oils equivalent to branded oils have been developed. A two stroke oil has been developed and introduced in the market.

Technical fee of Rs. 116 lakhs was received from IOC Marketing Division for the supply of formula-

tions for blending lubricants.

Total revenue expenditure of the centre was Rs. 74.61 lakhs, thus leaving a surplus of, Rs. 41.39 lakhs. Total capital expenditure during the year 1975-76 was Rs. 65.01 lakhs.

The total number of employees in R&D Centre was 185, including 47 Technical Officers, as on 31st March, 1976.

PUBLIC RELATIONS:

Indianoil stall at the Tourist Trade Fair organised by Tamil Nadu Tourism Development Corporation at Madras was adjudged the best Government Undertaking stall. Indianoil co-sponsored the First National Conference on recycling of lubricating oils held at New Delhi and also organised a seminar on "Efficient utilisation of Diesel oil fuel " at Madras. Indian Oil was actively associated with the Safety Week and the Indian Navy Week etc. A special story with pictures on the single Buoy Mooring system planned in the Gulf of Kutch was released.

SOCIAL OBJECTIVES:

The Corporation donated Rs. 5 lakhs to the Indian Cancer Society, Bombay, Rs. 5 lakhs to the Prime Minister's Relief Fund, Rs. 1 lakh each for the Tamil Nadu Chief Minister's Relief Fund, the Orissa Chief Minister's Relief Fund and the Bihar Chief Minister's Relief Fund. Tank trucks were deployed for carrying drinking water in the drought hit areas of Tamil Nadu.

INDIAN OIL BLENDING LTD.:

Indian Oil Blending Ltd. is a wholly owned subsidiary of the Corporation and its annual accounts and the Directors' Report are annexed herewith. Under the diversification plans, the Bombay plant started making some of the raw materials like Sulphurised Base Oils and Asphaltic Compounds, which were earlier being procured by the Corporation from outside parties.

In order to cover its operating cost, it became necessary for IOBL to increase its blending fee to be charged to the Corporation. During the year 1975-



76, the gross profit of IOBL before depreciation, development rebate and taxation was Rs. 28,07,291 as against Rs. 28,59,825 during the year 1974-75. The net surplus, available for distribution after provision for depreciation, development rebate, taxation and after adding prior year's excess provision of Rs. 2,27,027 and writing back of development rebate reserves after the statutory period of 8 years of Rs. 4,72,000 was Rs. 12,07,028 as against Rs. 6,03,739 during the year 1974-75.

INDIAN OIL INTERNATIONAL LTD.:

The Members duly approved and adopted the statement of Liquidator's accounts made upto 27th April, 1976 and the company will be deemed to have been dissolved after the scrutiny of the books and papers of the company by the official liquidator and the Court.

BOARD OF DIRECTORS:

All Directors, excepting Shri C. R. Das Gupta, Chairman, Shri R. N. Bhatnagar, Managing Director (Refineries & Pipelines Division), Shri S. B. Budhiraja, Managing Director (Marketing Division) and Shri R. M. Bhandari, Finance Director retired at the last Annual General Meeting held on 30th September, 1975 in terms of Article 94 (b) of the Articles of Association of the Corporation. S/ Shri S. Vasudevan, L. Kumar, C. Venkataramani, A. K. Ghosh and P. C. Mittra were appointed/elected as Directors of the Corporation with effect from 7th November, 1975. Admiral S. M. Nanda and Prof. N. S. Ramaswamy were appointed/elected as Directors of the Corporation with effect from 28th January, 1976. Shri Rajni Patel was appointed/elected as Director of the Corporation with effect from 15th May, 1976.

In terms of Article 94 (b) of the Articles of Association of the Corporation, all the Directors except

the Chairman, two Managing Directors and Finance Director shall retire at the Annual General Meeting. The following retiring Directors are eligible for re-appointment:

1. Shri S. Vasudevan
2. Shri L. Kumar
3. Shri C. Venkataramani
4. Shri A. K. Ghosh
5. Shri P. C. Mittra
6. Admiral S. M. Nanda
7. Prof. N. S. Ramaswamy and
8. Shri Rajni Patel

The Board of Directors have pleasure in placing on record their appreciation of the excellent work done by all the employees of the Corporation and do hope that they will continue to work with dedication and keep up the tempo of the progress.

Particulars of employees pursuant to Section 217 (2A) of the Companies Act and Companies (Particulars of Employees Rules, 1975):

Particulars of employees pursuant to Section 217 (2A) of the Companies Act and Companies (Particulars of Employees Rules, 1975) are enclosed as Annexure-1.

For and on behalf of the Board

Sd/
(C. R. DAS GUPTA)
Chairman

New Delhi.
Dated: 20th August, 1976.



AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of Indian Oil Corporation Limited as at 31st March, 1976 together with the Profit & Loss Account of the Corporation for the year ended on that date annexed thereto and report that:

1. As required by the Manufacturing and other Companies (Auditors' Report) Order, 1975 issued by the Company Law Board in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matter specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Corporation so far as appears from our examination of the books;
 - (c) The reports on the accounts of the Northern and Southern Regions of the Marketing Division audited by the respective Regional Auditors were received and properly dealt with by us while preparing our report;
 - (d) The allocation of the work between the auditors has been followed as per directions contained in the letter No.17/115/75-IOC dated 7th February, 1976 addressed to the Secretary, Indian Oil Corporation Limited, by Government of India, Ministry of Law, Justice & Company Affairs, Department of Company Affairs (Company Law Board), New Delhi, copies of which were forwarded to us;
 - (e) The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of account;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and subject to notes 3, 5, 6, 8, 10, 19 and 20, give a true and fair view -
 - (i) in the case of the Balance Sheet, of the state of affairs of the Corporation as at 31st March, 1976 and
 - (ii) in the case of Profit & Loss Account, of the Profit of the Corporation for the year ended on that date.

For S. B. BILLIMORIA & Co.
Chartered Accountants

(M.D. DUBASH)
Partner

Bombay, 9th August, 1976.

For RAY AND RAY
Chartered Accountants

(S. K. DAS GUPTA)
Partner



ANNEXURE TO THE AUDITORS' REPORT
(Referred to in paragraph 1 of our report of even date)

- (i) The Corporation has maintained proper records to show full particulars including quantitative details and situation of fixed assets except in some cases of furniture and fixtures. All fixed assets of the Corporation have not been physically verified by the Management during the year but there is a phased programme of verification of all the fixed assets which in our opinion is reasonable having regard to the size of the Corporation and the nature of the assets. To the best of our knowledge, no serious discrepancies have been noticed on verification.
- (ii) None of the fixed assets have been revalued during the year.
- (iii) The stock of finished goods, stores, spare parts, packages and raw materials have been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not significant and the same have been properly dealt with in the books of account. In our opinion, the valuation of the above mentioned stocks, subject to note 6 regarding surplus stores is fair and proper in accordance with the normally accepted accounting principles. There have been certain modifications in the valuation of Stock-in-Trade which has reduced the value of stock by Rs. 377.83 lakhs and the profit of the Corporation to the same extent. (Refer Note 19.)
- (iv) The Corporation has not taken any loan from the Companies, firms, or other parties listed in the Register maintained under Section 301 or from companies under the same management.
- (v) Loans and advances in the nature of loans have been given to the employees and outside parties and they are repaying the principal amount as stipulated and have also been regular in payment of interest where applicable.
- (vi) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Corporation and the nature of its business with regard to the purchase of stores, raw materials including components, plant and machinery, equipment and other similar assets.
- (vii) In our opinion and according to the information and explanations given to us, the prices paid for purchases of stores, raw materials and components in excess of Rs. 10,000 in value for each type from subsidiaries, or from companies or other parties in which directors are interested as listed in the Register maintained under Section 301 are reasonable as compared to the prices of similar items supplied by other parties or as available with the Corporation.
- (viii) As explained to us, the Corporation has a regular procedure for the determination of unserviceable or damaged stores, packages and raw materials and as on 31st March, 1976, there were no such items, and therefore the question of provision does not arise.
- (ix) The Corporation has not accepted any deposits from the public.
- (x) In our opinion, reasonable records have been maintained by the Corporation for the sale and disposal of contaminated products, slops and scraps.
- (xi) In our opinion, the Corporation has an adequate internal audit system commensurate with the size and the nature of its business.
- (xii) The Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for any of the products of the Corporation.
- (xiii) According to the records of the Corporation provident fund dues have been regularly deposited during the year with the appropriate authorities and there are no arrears of provident fund dues as at 31st March, 1976.

For S. B. BILLIMORIA & CO.
Chartered Accountants

(M. D. DUBASH)
Partner
Bombay, 9th August, 1976.

For RAY & RAY
Chartered Accountants

(S. K. DAS GUPTA)
Partner



BALANCE SHEET AS AT 31ST MARCH, 1976

Index

			1975	
FUNDS EMPLOYED:	Schedule	Rupees	Rupees	Rupees
1. Share Capital	'A'	71,17,72,000		71,17,72,000
2. Reserves and Surplus	'B'	1,49,31,75,248		1,25,10,11,436
3. Total Shareholders' Funds			2,20,49,47,248	1,96,27,83,436
4. Loans:				
(a) Secured	'C'	95,18,649		24,51,45,445
(b) Unsecured	'D'	39,99,00,481		69,31,96,886
			40,94,19,130	93,83,42,331
5. Total Funds Employed			2,61,43,66,378	2,90,11,25,767
APPLICATION OF FUNDS:				
6. Fixed Assets:				
(a) Gross Block	'E'	3,06,21,17,851		2,77,59,27,503
(b) Less: Depreciation		1,40,19,49,274		1,15,08,11,747
		1,66,01,68,577		1,62,51,15,756
(c) Construction Work-in-Progress and Capital Goods in Stock	'F'	77,81,77,110		56,94,07,667
			2,43,83,45,687	2,19,45,23,423
7. Investments	'G'		53,72,974	54,69,264
8. Current Assets, Loans and Advances:				
A. Current Assets:				
(a) Interest accrued on investments		1,39,259		1,15,523
(b) Inventories	'H'	1,82,01,16,876		2,05,95,92,980
(c) Book Debts	'I'	46,69,10,313		52,35,23,579
(d) Cash Balances:				
Cash including Imprest and Cheques in hand		16,69,22,589		23,50,05,387
(e) Bank Balances:				
(i) With Scheduled Banks				
(a) On Current Account		56,86,257		22,80,520
(b) On Current Account under Cash Credit arrangement		15,52,68,030		—
(c) On Fixed Deposits Account (including Rs. 20,98,117-1975:Rs. 14,15,110 lodged by outside parties per contra)		38,21,02,929		14,19,565
(d) On Call Deposit Account (including Rs. 10,000- 1975: Rs. 12,500 lodged by outside parties per contra)		20,10,000		20,12,500
C/F		2,99,91,56,253		2,82,39,50,054
Carried forward			2,44,37,18,661	2,19,99,92,687



BALANCE SHEET AS AT 31ST MARCH, 1976 Contd...

Index

	<u>Schedule</u>	<u>Rupees</u>	<u>Rupees</u>	<u>1975</u> <u>Rupees</u>
Brought forward			2,44,37,18,661	2,19,99,92,687
B/F		2,99,91,56,253		2,82,39,50,054
(ii) With Non-Scheduled Banks:				
(a) On Current Account with Nepal Bank Limited, Kathmandu, Nepal (Maximum amount during the year Rs. 33,312-1975:Rs. 1,06,332)		—		21,280
(b) On Blocked Account with Banque Nationale De Paris, France (Maximum amount during the year Rs. 18,82,998 -1975:Rs. 18,82,998)		15,79,281		18,82,998
(c) On Fixed Deposit Account with Gujarat Industrial Co-operative Bank Limited lodged by outside parties per contra (Maximum amount during the year Rs. 5,000-1975: Rs. 5,000)		—		5,000
(iii) With Post Office:				
(a) On Savings Account		15,000		15,000
(b) On Fixed Deposit Account lodged by outside Parties per contra		—		15,000
B. Loans and Advances	'J'	63,63,41,608		1,18,24,28,610
		3,63,70,92,142		4,00,83,17,942
9. Less: Current Liabilities and Provisions	'K'	3,46,64,44,425		3,30,71,84,862
10. Net Current Assets: (Working Capital) - (8) minus (9)			17,06,47,717	70,11,33,080
TOTAL			2,61,43,66,378	2,90,11,25,767
11. Contingent Liabilities not provided for (Refer Schedule 'P' Note 1) Notes forming part of Accounts	'P'			

C. R. DAS GUPTA
Chairman

R. M. BHANDARI
Finance Director

S. B. BUDHIRAJA
Managing Director
(Marketing)

R. N. BHATNAGAR
Managing Director
(Refineries & Pipelines)

D. B. PURI
Secretary

As per our report attached

For S. B. BILLIMORIA & CO.
Chartered Accountants
(M. D. DUBASH)
Partner
Bombay, 9th August, 1976

For RAY & RAY
Chartered Accountants
(S. K. DAS GUPTA)
Partner



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1976

Index

	<u>Rupees</u>	<u>Rupees</u>	<u>1975</u> <u>Rupees</u>
INCOME:			
1. (i) Sale of Products and Crude and Transfers under Product Exchange	24,24,06,40,232		19,63,45,68,679
(ii) Less: Commission & Discounts	2,43,35,751		2,85,26,993
	<u>24,21,63,04,481</u>		<u>19,60,60,41,686</u>
2. Company's use of own oil	6,75,59,521		4,41,98,410
		24,28,38,64,002	<u>19,65,0240,096</u>
3. Main Installation charges received from other Marketing Companies		1,18,69,635	1,13,27,105
4. Interest			
(i) On Advances etc. (Tax deducted at source Rs. Nil—1975: Rs. 1,345)	22,40,498		15,88,947
(ii) On Short Term Deposit	17,23,835		—
(iii) From Customers on Outstandings	<u>2,30,43,385</u>		<u>1,64,53,290</u>
		2,70,07,718	<u>1,80,42237</u>
5. Other Income (Schedule 'L')		3,91,46,735	3,78,07,088
6. Provision for Doubtful Debts, Advances and claims written back		14,89,981	36,88,071
TOTAL INCOME		<u>24,36,33,78,071</u>	<u>19,7211,04,597</u>
EXPENDITURE:			
1. Purchase of Products and Crude for resale and Transfers under Product Exchange		10,71,13,97,169	7,49,39,05,740
2. Manufacturing, Administration, Selling and Other Expenses (Schedule 'M')		7,13,70,58,280	6,23,81,89,696
3. Excise Duty		5,67,80,95,177	5,25,94,94,210
4. Depreciation and Amortisation		25,92,44,127	19,82,90,628
5. Interest:			
7 (i) On Government Loan for fixed period	84,39,385		87,62,383
(ii) On loan from Oil Industry Development Fund	50,91,158		—
(iii) On Foreign Credit for fixed period	52,12,836		93,49,761
(iv) Other	<u>4,23,95,999</u>		<u>7,61,75,669</u>
6. Less:		6,11,39,378	9,42,87,813
(i) Expenses Capitalised	3,63,21,445		6,67,32,404
(ii) Expense's Transferred to Manufacturing of Drums and Tins	<u>39,66,240</u>		<u>39,16,014</u>
		4,02,87,685	7,06,48,418
TOTAL EXPENDITURE		<u>23,80,66,46,446</u>	<u>19,21,35,19,669</u>



SCHEDULE 'A' — SHARE CAPITAL

Index

	<u>Rupees</u>	<u>1975 Rupees</u>
SHARE CAPITAL:		
Authorised		
8,50,000 Equity Shares of Rs. 1,000 each	85,00,00,000	85,00,00,000
Issued and Subscribed		
7,11,772 Equity Shares of Rs. 1,000 each fully paid (of the above 3,76,497 Shares and 1,00,000 Shares were allotted as fully paid pursuant to the Petroleum Companies Amalgamation Order, 1964 and the Gujarat Refinery Project Undertaking (Transfer) (Amendment) Order, 1965, respectively, without payment having been received in cash)	71,17,72,000	71,17,72,000
TOTAL	<u>71,17,72,000</u>	<u>71,17,72,000</u>

SCHEDULE 'B' — RESERVES AND SURPLUS

	<u>Rupees</u>	<u>Rupees</u>	<u>1975 Rupees</u>
RESERVES AND SURPLUS:			
General Reserve:			
As per last Account	67,10,00,000		52,15,00,000
Transferred from Development Rebate Reserve	59,26,678		—
Transferred from Profit and Loss Account	<u>22,62,00,000</u>		<u>14,95,00,000</u>
		90,31,26,678	<u>67,10,00,000</u>
Development Rebate Reserve			
As per last Account	58,00,00,000		48,00,00,000
Less: Transferred to General Reserve	<u>59,26,678</u>		—
	57,40,73,322		<u>48,00,00,000</u>
Transferred from Profit and Loss Account	<u>1,59,26,678</u>		<u>10,00,00,000</u>
		59,00,00,000	<u>58,00,00,000</u>
Profit and Loss Account as per annexed Account		48,570	<u>11,436</u>
TOTAL	<u>1,49,31,75,248</u>		<u>1,25,10,11,436</u>



SCHEDULE 'C' — SECURED LOANS

Index

	<u>Rupees</u>	<u>1975 Rupees</u>
<u>SECURED LOANS:</u>		
Loans and Advances from Bank:		
(i) Secured by hypothecation of inventories, book debts, out-standing monies, recoverable claims, contracts, engagements, etc.	–	21,75,28,337
(ii) Interest accrued and due on above	95,18,649	2,76,17,108
TOTAL	<u>95,18,649</u>	<u>24,51,45,445</u>

SCHEDULE 'D' — UNSECURED LOANS

	<u>Rupees</u>	<u>1975 Rupees</u>
<u>UNSECURED LOANS:</u>		
Other Loans and Advances:		
(i) From the Government of India [including Rs. 3,52,66,798 (1975: Rs. 4,84,90,012) due for payment within one year and Rs. 20,00,000 payable on demand (1975:Rs. 20,00,000)]	22,30,42,048	13,15,32,060
(ii) Oil Industry Development Fund	9,85,00,000	5,00,00,000
(iii) Foreign Credits (including Rs. 1,34,62,884 - 1975: Rs. 1,13,29,184 due for payment within one year)	7,56,35,782	7,06,88,581
(iv) From National Iranian Oil Company, Iran	–	43,75,99,635
(v) Amount Deposited by COMPAGNIE FRANCHISE D'ETUDES ET DE CONSTRUCTION in Bank Account	12,13,037	16,15,393
(vi) Deferred Payment (including Rs. 2,51,602 - 1975: Rs. 2,51,603 due for payment within one year)	15,09,614	17,61,217
TOTAL	<u>39,99,00,481</u>	<u>69,31,96,886</u>



SCHEDULE — 'E' FIXED ASSETS

	Gross Block as at 31st March, 1975 at cost	Additions during the year at cost	Transfers from Construction work-in-progress at cost	Transfers, Deductions and Reclassifications at cost
	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>
LAND :Freehold	5,80,58,045	85,26,906	47,86,374	(—) 67,341
Leasehold	31,78,777	36,275	—	—
Right of Way	18,15,913	4,83,457	—	—
BUILDINGS, ROADS, ETC.	27,67,40,094	23,36,701	1,37,10,157	(—) 11,15,942
PLANT AND MACHINERY	2,14,04,83,895	12,38,69,089	12,60,97,792	(—) 1,72,14,619
TRANSPORT EQUIPMENT	7,12,78,451	48,28,036	48,95,806	(—) 23,38,968
FURNITURE AND FIXTURES	4,25,77,039	37,15,205	14,89,414	(—) 4,99,620
RAILWAY SIDINGS	2,51,85,929	1,60,694	1,31,681	(—) 79,269
DRAINAGE, SEWAGE AND WATER SUPPLY SYSTEM	15,59,13,324	38,783	34,27,400	(+) 90,02,174
SUNDRY ASSETS	6,96,036	30,660	—	(—) 60,497
TOTAL	2,77,59,27,503	14,40,25,806	15,45,38,624	(—) 1,23,74,082
PREVIOUS YEAR	2,22,65,84,551	9,14,65,147	46,58,83,227	(—) 80,05,422

* Includes Rs. (—) 18,94,658 in respect of previous years (1975: Rs. 37,26,596).

t Includes Rs. 750 towards cost of 15 shares of Rs. 50 each fully paid held in the Co-operative Housing Societies.



SCHEDULE — 'E' FIXED ASSETS Contd...

Gross Block as at 31st March, 1976 at cost	Depreciation and Amortisation charged this year*	Total Depreciation and Amortisation upto 31st March, 1976	Net Depreciated Block as at 31st March, 1976	1975
<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>
7,13,03,984	—	—	7,13,03,984	5,80,58,045
32,15,052	55,050	8,55,875	23,59,177	23,77,951
22,99,370	—	—	22,99,370	18,15,913
29,16,71,010t	79,72,910	6,12,91,654	23,03,79,356	22,30,30,644
2,37,32,36,157	23,03,18,600	1,19,64,90,729	1,17,67,45,428	1,17,03,78,574
7,86,63,325	67,95,141	4,97,14,789	2,89,48,536	2,64,72,744
4,72,82,038	42,68,103	2,86,16,188	1,86,65,850	1,78,10,890
2,53,99,035	8,77,678	85,49,024	1,68,50,011	1,74,87,525
16,83,81,681	69,49,237	5,59,72,625	11,24,09,056	10,73,86,070
6,66,199	1,12,750	4,58,390	2,07,809	2,97,400
3,06,21,17,851	25,73,49,469	1,40,19,49,274	1,66,01,68,577	1,62,51,15,756
2,77,59,27,503	20,20,17,224	1,15,08,11,747	1,62,51,15,756	



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

Index

	<u>Rupees</u>	<u>Rupees</u>	<u>1975 Rupees</u>
<u>CONSTRUCTION WORK-IN-PROGRESS AND CAPITAL GOODS IN STOCK:</u>			
1. Work-in-Progress (at cost) (including unallocated capital expenditure, materials at site and advances for Capital Expenditure)		46,19,79,691	32,92,08,297
2. Capital Stores (at cost) including Rs. 3,45,62,703 lying with Contractors (1975: Rs. 44,46,309)		22,67,63,178	19,24,89,101
3. Capital Goods in transit (at cost)		2,16,30,039	1,03,33,762
4. Construction period expenses pending allocation: Balance as at 1st April, 1975	3,73,76,507		7,27,94,795
<i>Add: Expenditure during the year:</i>			
<i>Establishment charges</i>	58,09,318		1,11,13,937
Interest	99,04,687		69,97,546
<i>Depreciation</i>	5,26,767		8,92,900
<i>Other</i>	2,06,56,172		4,94,68,485
	<u>7,42,73,451</u>		<u>14,12,67,663</u>
Less: Recoveries	5,75,499		17,40,464
	<u>7,36,97,952</u>		<u>13,95,21,199</u>
Less: Allocated to assets/construction work in progress during the year	58,93,750		10,21,50,692
		<u>6,78,04,202</u>	<u>3,73,76,507</u>
TOTAL		<u>77,81,77,110</u>	<u>56,94,07,667</u>



SCHEDULE 'G' — INVESTMENTS

Index

	<u>Rupees</u>	<u>Rupees</u>	<u>1975</u> <u>Rupees</u>
INVESTMENTS, at cost (Unquoted):			
1. In Government Securities (deposited with various bodies)		4,42,555	3,93,555
2. In International Co-operative Petroleum Association— 314 Shares of \$100 each fully paid and part paid Common Stock of \$49.38		1,82,224	1,82,224
3. In Consumers' Co-operative Society:			
(i) Barauni - 250 Equity Shares of Rs. 10 each fully paid in cash	2,500		2,500
(ii) Gauhati - 250 Equity Shares of Rs. 10 each fully paid in cash	2,500		2,500
(iii) Haldia-296 Equity Shares of Rs. 10 each fully paid in cash	2,960		2,000
(iv) Indian Oil Employees Consumers' Co-operative Society Limited, Bombay - 170 Equity Shares of Rs. 10 each fully paid in cash	1,700		1,700
(v) Indian Oil Employees Co-operative Consumers' Stores Limited, Madras - 164 Equity Shares of Rs. 10 each fully paid in cash	1,640		1,640
(vi) Indian Oil Employees Co-operative Consumers' Stores Limited, Delhi-375 Equity Shares of Rs. 10 each fully paid in cash	<u>3,750</u>		<u>—</u>
		15,050	10,340
4. In Subsidiaries:		
(i) Indian Oil International Limited -100 Equity Shares of Rs. 1,000 each fully paid in cash (in voluntary liquidation)	—		1,00,000
(ii) Indian Oil Blending Limited-8,000 Equity Shares of Rs. 500 each fully paid in cash	<u>40,00,000</u>		<u>40,00,000</u>
		40,00,000	<u>41,00,000</u>
.5. By Outside Parties - Security Deposits per contra		7,33,145	<u>7,83,145</u>
TOTAL		<u>53,72,974</u>	<u>54,69,264</u>



SCHEDULE 'H' — INVENTORIES

Index

	<u>Rupees</u>	<u>Rupees</u>	<u>1975</u> <u>Rupees</u>
INVENTORIES:			
1. Stores, Spares, etc.:			
(a) Stores and Spare Parts (at or under cost)	23,49,67,826		23,65,37,198
(b) Loose Tools	1,10,143		2,98,680
(c) Stores in transit (at cost)	2,29,24,668		2,10,30,713
		<u>25,80,02,637</u>	<u>25,78,66,591</u>
2. Raw Materials (at cost)		28,70,72,339	33,12,03,708
3. Stock-in-Trade:			
(a) Oil Stocks (at cost or net realisable value whichever is lower)	1,19,61,85,619 *		1,36,26,38,020*
(b) Stock-in-Process (at or under cost)	6,25,60,968		9,54,43,253
		<u>1,25,87,46,587</u>	<u>1,45,80,81,273</u>
4. Stock of empty Barrels and Tins (at cost or net realisable value whichever is lower)		1,62,95,313	1,24,41,408
TOTAL		<u>1,82,01,16,876</u>	<u>2,05,95,92,980</u>
* Includes stock lying with other oil companies on loan Rs. 7,51,656 (1975: Rs. 6,40,61,619)			

SCHEDULE 'I' — BOOK DEBTS

	<u>Rupees</u>	<u>Rupees</u>	<u>1975</u> <u>Rupees</u>
BOOK DEBTS:			
1. Over six months:			
(a) Secured Considered Good	1,08,538		6,49,118
(b) Unsecured Considered Good	10,31,00,239		11,44,05,084
(c) Unsecured Considered Doubtful	1,69,27,438		1,51,50,793
		<u>12,01,36,215</u>	<u>13,02,04,995</u>
2. Other Debts:			
(a) Secured Considered Good	7,26,175		9,76,844
(b) Unsecured Considered Good	36,29,75,361		40,74,92,533
(c) Unsecured Considered Doubtful	9,59,705		17,33,078
		<u>36,46,61,241</u>	<u>41,02,02,455</u>
		<u>48,47,97,456</u>	<u>54,04,07,450</u>
Less: Provision for Doubtful Debts		1,78,87,143	1,68,83,871
TOTAL		<u>46,69,10,313</u>	<u>52,35,23,579</u>

1. Debts due from Directors Rs. 101(1975: Rs. 1,504) (Maximum Rs. 1,589- 1975: Rs. 3,344).
2. Debts due from other Officers Rs. 377 (1975: Rs. 92) (Maximum Rs. 753 - 1975: Rs. 518).



SCHEDULE 'J' — LOANS AND ADVANCES

Index

	Rupees	Rupees	1975 Rupees
LOANS AND ADVANCES:			
1. Bills of Exchange - Unsecured Considered Good		20,26,097	—
2. Advances Recoverable in cash or in kind or for value to be received:			
(a) Secured Considered Good	3,42,01,080*		3,19,20,562*
(b) Unsecured Considered Good	38,16,41,553*		82, 14,10,936*
(c) Unsecured Considered Doubtful	16,51,781		17,06,224
	<u>41,74,94,414</u>		<u>85,50,37,722</u>
(d) Less: Provision for Doubtful Advances	16,51,781		17,06,224
		41,58,42,633	85,33,31,498
3. Claims Recoverable:		
(a) Unsecured Considered Good	12,09,15,762*		20,60,41,046*
(b) Unsecured Considered Doubtful	1,37,21,293		94,45,489
	<u>13,46,37,055</u>		<u>21,54,86,535</u>
(c) Less: Provision for Doubtful Claims	1,37,21,293		94,45,489
		12,09,15,762	20,60,41,046
4. Materials on Loan:		
(a) Secured Considered Good	3,12,018		81,570
(b) Unsecured Considered Good	7,27,091		11,08,032
(c) Unsecured Considered Doubtful	1,327		—
	<u>10,40,436</u>		<u>11,89,602</u>
(d) Less: Provision for Doubtful Loans	1,327		—
		10,39,109	11,89,602
5. Balances with Customs, Port Trust and Excise Authorities - Unsecured Considered Good		6,64,89,122	8,67,99,089
6. Sundry Deposits:			
(a) Unsecured Considered Good including amount adjustable on receipt of final bills	3,00,28,885		3,50,67,375
(b) Unsecured Considered Doubtful	—		1,200
	<u>3,00,28,885</u>		<u>3,50,68,575</u>
(c) Less: Provision for Doubtful Deposits	—		1,200
		3,00,28,885	3,50,67,375
TOTAL		<u>63,63,41,608</u>	<u>1,18,24,28,610</u>

* Includes:

- Rs. Nil (1975: Rs. 47) due from Directors (Maximum Rs. 500-1975: Rs. 20,359).
- Rs. 5,34,193 (1975: Rs. 3,25,647) due from other Officers (Maximum Rs. 6,99,333 - 1975: Rs. 4,46,468).



SCHEDULE 'K' — CURRENT LIABILITIES AND PROVISIONS

Index

	Rupees	Rupees	1975 Rupees
A. CURRENT LIABILITIES:			
1. Acceptances	62,63,04,306		41,73,60,917
2. Sundry Creditors	2,42,90,17,690		243,04,41,540
3. Due to Indian Oil Blending Limited (a subsidiary Company)	29,16,837		27,88,677
4. Security Deposits (including Deposits lodged by outside parties with Banks per contra Rs. 21,08,117-1975: Rs. 14,32,610 deposit with Post Office per contra Rs. Nil-1975: Rs. 15,000 and investments lodged by outside parties per contra Rs. 7,33,14-1975: Rs. 7,83,145)	19,94,23,819		18,19,03,966
5. Interest accrued but not due on loans	<u>1,02,11,445</u>		<u>1,34,74,485</u>
		3,26,78,74,097	<u>3,04,59,69,585</u>
B. PROVISIONS:			
6. Provision for Taxation	97,00,00,000		74,50,00,000
Less: Advance payments	<u>90,19,39,109</u>		<u>60,23,77,737</u>
	6,80,60,891		14,26,22,263
7. Provision for Gratuity	7,04,23,204		6,00,79,017
8. Provision for Renewal of Catalyst	31,44,473		15,72,237
9. Proposed Dividends	<u>5,69,41,760</u>		<u>5,69,41,760</u>
		19,85,70,328	<u>26,12,15,277</u>
TOTAL		<u>3,46,64,44,425</u>	<u>3,30,71,84,862</u>

SCHEDULE 'L' — OTHER INCOME

	Rupees	Rupees	1975 Rupees
OTHER INCOME:			
1. Sale of Power and Water		1,47,29,065	1,80,61,628
2. Profit on Sale and Disposal of Assets		31,76,116	19,29,845
3. Interest from Investments		28,634	23,469
4. Surplus from Subsidiary Company (Indian Oil International Limited in Liquidation)		1,00,000	—
5. Dividends Received:			
On Investments			
Gross (Tax deducted at source Rs. 46,000-1975: Rs. 25,576)	2,05,567*		1,16,157*
Less: Withheld U.S. Tax	<u>1,670</u>		<u>1,487</u>
		2,03,897	<u>1,14,670</u>
6. Miscellaneous Income		<u>2,09,09,023</u>	<u>1,76,77,476</u>
TOTAL		<u>3,91,46,735</u>	<u>3,78,07,088</u>

* Includes dividends from subsidiary Company Rs. 2,00,000 (1975: Rs. 1,11,200).



SCHEDULE 'M' — MANUFACTURING, ADMIN., SELLING AND OTHER EXPENSES

Index

	Rupees	Rupees	1975 Rupees
MANUFACTURING. ADMINISTRATION SELLING AND OTHER EXPENSES:			
1. Raw materials consumed:			
Opening balance as on 1st April, 1975	33,12,03,708		25,15,47,192
Add: Purchases	5,36,49,51,423		5,27,22,11,483
	<u>5,69,61,55,131</u>		<u>5,52,37,58,675</u>
Less: Closing Stock	<u>28,70,72,339</u>		<u>33,12,03,708</u>
		5,40,90,82,792	<u>5,19,25,54,967</u>
2. Consumption:			
(i) Stores and Spares	4,06,34,007		3,10,20,871
(ii) Packages	<u>20,14,00,788</u>		<u>16,99,07,736</u>
		24,20,34,795	<u>20,09,28,607</u>
3. Power and Fuel	24,51,55,969		15,25,16,771
Less: Fuel of own production	<u>23,78,57,358</u>		<u>14,64,35,512</u>
		72,98,611	<u>60,81,259</u>
4. Processing fees, Blending fees, Royalty and other charges		2,29,22,833	5,06,71,181
5. Provision for renewal of Catalyst		15,72,236	15,72,237
6. Repairs and Maintenance:			
(a) Plant and Machinery	4,29,54,568		2,82,84,263
(b) Buildings	58,09,487		44,28,718
(c) Other	<u>1,32,36,133</u>		<u>1,24,03,177</u>
		6,20,00,188	<u>4,51,16,158</u>
7. Freight and Transportation charges (net of recoveries from Pool Accounts)		69,66,48,807	53,54,29,177
8. Payment to and Provision for Employees:			
(a) Salaries, Wages and Bonus	25,44,95,888		23,12,76,260
(b) Contribution to Provident and other Funds	1,44,13,801		1,25,22,113
(c) Staff Welfare Expenses	1,74,95,669		1,42,56,274
(d) Provision for Gratuity	1,03,84,373		1,72,92,911
(e) Gratuity and Ex-Gratia	<u>8,65,809</u>		<u>5,94,828</u>
		29,76,55,540	<u>27,59,42,386</u>
9. Office Administration, Selling and Other Expenses (Schedule 'N')		21,18,67,223	18,27,94,999
10. Add: Decrease in Stocks:			
Opening Stock as on 1st April, 1975:			
Finished Products	1,36,26,38,020		1,11,57,22,225
Adjustment in respect of Opening Stock of Finished Products	(1,33,59,431)		4,73,980
Stock in Process	9,54,43,253		8,89,83,793
	<u>1,44,47,21,842</u>		<u>1,20,51,79,998</u>
Less: Closing Stock as on 31st March, 1976:			
Finished Products	1,19,61,85,619		1,36,26,38,020
Stock in Process	6,25,60,968		9,54,43,253
	<u>1,25,87,46,587</u>		<u>1,45,80,81,273</u>
		18,59,75,255	<u>(25,29,01,275)</u>
TOTAL		<u>7,13,70,58,280</u>	<u>6,23,81,89,696</u>



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

Index

OFFICE ADMINISTRATION, SELLING AND OTHER EXPENSES:	<u>Rupees</u>	<u>Rupees</u>	<u>1975</u> <u>Rupees</u>
1. Rent		2,05,64,218	2,04,83,501
2. Insurance (includes Emergency Risk Insurance)		1,24,45,042	90,74,754
3. Rates and Taxes		97,23,090	86,12,007
4. Donations		15,57,088	3,68,497
5. Directors' Fees		1,100	800
6. Payments to Auditors:			
(a) Audit Fees	2,50,000		2,50,000
(b) Other Services (for issuing certificates etc.)	1,21,095		34,500
(c) Out of Pocket Expenses	<u>66,175</u>		<u>61,728</u>
		4,37,270	3,46,228
7. Main Installation Charges paid to other Marketing Companies..		1,41,06,503	1,45,83,209
8. Office Administration, Selling and other expenses (including bank charges Rs. 3,81,09,113-1975: Rs. 2,10,10,400)		12,92,01,730	10,88,68,709
9. Bad Debts, Advances and Insurance claims written off		25,73,520	12,41,840
10. Loss on Assets sold, lost or written off		20,02,446	20,31,900
11. Technical Assistance by Engineers India Limited		73,81,516	56,24,810
12. Exchange Fluctuations		26,67,489	27,90,470
13. Provision for Doubtful Debts, Advances and Claims		67,14,741	79,21,430
14. Central Industrial Security Force Expenses		21,08,645	8,46,844
15. Pollution Control Expenses		3,82,825	—
TOTAL		<u><u>21,18,67,223</u></u>	<u><u>18,27,94,999</u></u>

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

INCOME:	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>
1. (i) Sale of Products and Crude and Transfers under Product Exchange	(51,90,134)		44,28,858
(ii) Less: Commission and Discounts	—		1,33,279
	<u>(51,90,134)</u>		<u>42,95,579</u>
2. Company's use of own oil	46,31,058		(5,50,265)
		(5,59,076)	<u>37,45,314</u>
3. Interest:			
(i) On Advances	5,75,840		21,02,767
(ii) From Customers on Outstandings	<u>(1,55,137)</u>		<u>21,02,767</u>
		4,20,703	—
4. Sale of Power and Water		1,26,860	—
5. Profit on Sale and Disposal of Assets		—	(6,658)
6. Exchange Fluctuations		7,28,449	—
7. Miscellaneous Income		19,46,604	6,83,529
TOTAL INCOME		<u><u>26,63,540</u></u>	<u><u>65,24,952</u></u>



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

Index

	<u>Rupees</u>	<u>Rupees</u>	<u>1975</u> <u>Rupees</u>
EXPENSES:			
1. Purchase of Products and Crude for resale and Transfers under Product Exchange		2,61,72,709	1,83,66,668
2. Raw materials consumed Purchases		(9,33,154)	(4,42,94,689)
3. Consumption:			
(i) Stores and Spares	(1,37,218)		(4,77,551)
(ii) Other Packages	<u>(8,27,662)</u>		<u>16,44,983</u>
		(9,64,880)	<u>11,67,432</u>
4. Power and Fuel		1,09,751	(1,78,415)
5. Processing fees, Blending fees, Royalty and other charges		20,41,659	9,38,592
6. Repairs and Maintenance:			
(i) Plant and Machinery	5,33,553		51,251
(ii) Other	<u>3,29,206</u>		<u>93,850</u>
		8,62,759	<u>1,45,101</u>
7. Freight and Transportation charges (net of recoveries from Pool Account)		(9,03,385)	(28,99,428)
8. Payment to and Provision for Employees:			
(i) Salaries, Wages and Bonus	15,61,227		31,69,138
(ii) Contribution to Provident and other Funds	-		82,582
(iii) Staff Welfare Expenses	-		232
(iv) Gratuity and Ex-Gratia	<u>-</u>		<u>3,15,334</u>
		15,61,227	<u>35,67,286</u>
9. Rent		(13,34,926)	3,22,254
10. Insurance		44,154	22,231
11. Rates and Taxes		(86,318)	21,45,251
12. Main Installation charges paid to other Marketing Companies		-	95,505
13. Office Administration, Selling and other expenses		(1,27,231)	(3,28,997)
14. Loss on Assets sold, lost or written off		(3,36,962)	(12,38,055)
15. Excise Duty		37,65,059	91,55,883
16. Depreciation and Amortisation		(18,94,658)	37,26,596
17. Interest - Other		(60,45,642)	11,71,243
18. Legal Expenses		-	(13,480)
19. Adjustment in respect of prior year closing stock		1,33,59,431	(4,73,980)
20. Miscellaneous Expenses		<u>-</u>	<u>13,40,259</u>
TOTAL EXPENSES		<u>3,52,89,593</u>	<u>(72,62,743)</u>
NET EXPENSES/ (INCOME)		<u>3,26,26,053</u>	<u>(1,37,87,695)</u>



**SCHEDULE 'P' NOTES ON THE ACCOUNTS FOR THE YEAR ENDED
31ST MARCH, 1976**

1. Contingent Liabilities not provided for:
- (a) Claims against the Corporation not acknowledged as debts Rs. 2,204.98 lakhs (1975: Rs. 2,301.49 lakhs) including Rs. 416.20 lakhs (1975: Rs. 589.60 lakhs) for which suits have been filed in Courts or cases lying with arbitrators. Interest on some of the claims, if any, is unascertainable. These include *inter-alia*:
- (i) Rs. 1,144.13 lakhs (1975: Rs. 1,041.67 lakhs) being the demand made by the Central Excise on certain products. The claim is disputed by the Corporation and no provision has been made pending decision by appropriate authorities.
- (ii) Rs. 204.07 lakhs (1975: Rs. 204.07 lakhs) being the claim towards damages for shortfall and termination of supplies to a Customer.
- (b) The Corporation has given guarantees and counter guarantees to Banks and others on behalf of third parties amounting to Rs. 1,726.55 lakhs (1975: Rs. 1,162.55 lakhs).
- (c) Bills discounted with the Bank Rs. 649.25 lakhs (1975: Rs. 975.06 lakhs).
- (d) Income tax if any reimbursable to the foreign contractors. The Corporation has, however, made an advance of Rs. 5 lakhs (1975: Rs. 5 lakhs) to one of the contractors for payment of advance Income tax in respect of such liability.
- (e) Tax Liability under the Income Tax Act, 1961 in respect of foreign technicians as and when assessed. The amount is not ascertainable.
- (f) Demands amounting to Rs. 0.95 lakh (1975: Rs. 0.95 lakh) approximately made by Central Excise Authorities and those which may arise out of the show cause notices issued by them on account of Excise Duty on pipeline operational losses in excess of the prescribed limits. The same are contested by the Corporation.
2. As per the instructions received from the Government, credit component of the cost of the crude oil imported under an agreement with National Iranian Oil Company has been paid over to the Government. Government by their letter No. IS-36016/5/74-SUP dated 2-12-1975 has absolved the Corporation from its obligation in regard to the Contract between NIOC and the Corporation in so far as it applies to the repayment of loan instalment and interest thereon. Since the Corporation has paid these amounts to Government in rupees at the composite rate of exchange for U.S. Dollars, Corporation is further absolved of its obligation arising out of fluctuations in the value of U.S. Dollars vis-a-vis Indian Rupees.
3. The foreign credit of Rs. 756.34 lakhs (1975: Rs. 706.84 lakhs) has been converted at the bank selling rate prevalent on the date of capitalisation of assets purchased against such credits. If the item is converted at the bank selling rate prevalent on 31st March, 1976 the amount of foreign credit will go up by Rs. 45.47 lakhs (1975: Rs. 202.10 lakhs) for which no provision has been made in the accounts.
4. Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs. 7,648.21 lakhs (1975: Rs. 4,063.54 lakhs).
5. (a) Title Deeds for land of the book value of Rs. 154.83 lakhs (1975: Rs. 41.68 lakhs), Lease and other formal agreements in respect of certain other lands are pending execution and are not available for verification.

- (b) No provision has been made for the interest on compensation amount claimed by the Government of Assam in respect of land acquired for Gauhati Refinery as the Corporation has not admitted the liability.
- (c) Pending decision of the State Government no liability could be determined and provided for in respect of claims preferred by certain parties on the Collector, Mathura, for land acquired for Mathura Refinery.
- (d) The Corporation has agreed to transfer a portion of its land costing approximately Rs. 6.75 lakhs to Indian Petro-Chemicals Corporation Limited, through the State Government. Pending compliance of various formalities, no effect has been given to this in the books of account.
- (e) Rental for certain rail-bridges on Haldia Barauni-Kanpur Pipelines has been provided on an ad hoc basis, pending finalisation of agreement with the Railway Board.
- (f) Some of the assets may be subject to reclassifications or adjustment on receipt of completion reports and finalisation of bills/customs duty.
6. Included amongst stores are some items which are surplus and no provision has been made in these accounts towards loss on disposal, thereof, if any, that may arise, as the extent could not be ascertained.
7. Closing Stock includes stock of Tin Plates of the value of Rs. 1.34 lakhs (1975: Rs. 1.34 lakhs) lying with the Contractor who contends that no stock is lying with him.
8. Book Debts include an amount of Rs. 30.53 lakhs (1975: Rs. 30.53 lakhs) billed by the Corporation towards increase in cost of imported products due to rupee devaluation in 1966. However, the debtor company had refused to pay the amount and the Corporation has filed a suit in the Bombay High Court for recovery. Pending the Court's decision, the amount is considered good and recoverable and is shown as such in the Accounts.
9. Sundry Deposits under Loans and Advances include Rs. 28.07 lakhs (1975: Rs. 77.49 lakhs) on account of payments to other Marketing Companies for products received on loan from them, against which Corporation holds the products received and whose value has not been ascertained.
10. Sundry Deposits include an amount of Rs. 50.59 lakhs (1975: Rs. 50'59 lakhs) deposited by the Corporation with another Marketing Company in respect of supply of products on Installation Exchange Arrangement. However, the amount was appropriated by the other Marketing Company towards CIF increases, and devaluation duty claims consequent on the devaluation of Indian rupee in 1966. The Corporation has disputed the appropriation and filed a suit in the Bombay High Court for recovery. Pending the Court's decision, the amount is considered good and recoverable and is shown as such in the Accounts.
11. Loans and Advances include an amount of Rs. 242.83 lakhs (1975: Rs. 243.66 lakhs) due from Freight Surcharge Pool, on a provisional basis, in respect of transportation of imported crude from Haldia to Barauni.
12. The amount of Rs. 723.74 lakhs on account of Pipeline Freight Recovery surrendered/to be surrendered to Freight Surcharge Pool included in the Profit & Loss Account is subject to special audit as per the Freight Surcharge Pool Scheme.
13. Adventitious gains made by the Corporation on account of revision of excise duty during the period 2nd November, 1973 to 31st March, 1975 have been adjusted to the credit of C&F Adjustment Account in the current year. However, these gains remain to be surrendered subject to the decision of the Government.
14. Adjustments have been made provisionally in the Accounts in respect of under/over recovery on LPG based on Corporation's own computations. Adjustments, if any, will be made on receipt of final sanction from the Government.

15. The revised scheme of Freight Surcharge Pool Account and Flat Transportation Surcharge effective from 14th July, 1975 are under finalisation by the Industry/Government. Claims in respect of these schemes have been provisionally worked out based on the clarifications received from time to time by the Corporation. Adjustments, if any, will be made on finalisation of the schemes.
16. No credit has been taken for the following claims preferred by the Corporation:
- (a) The dispute regarding price of RFO/LSHS supplied to a State Electricity Board was under arbitration. The arbitrator has since given an award. The amount of the award accrues, becomes due and receivable on various dates stipulated in the award and amounts to Rs. 73.28 crores. The credit for the amounts will be taken on respective dates when they will accrue, 'become due and receivable.
 - (b) Out of the claim preferred on a Shipping Company for Rs. 199.89 lakhs (1975: Rs. 155.25 lakhs) on account of additional charter hire paid for the substitute vessel and short lifting of crude oil as a result of withdrawal of the vessel by the owners before the expiry of the charter party agreement with them. Amount of Rs. 196.03 lakhs (1975: Rs. 151.39 lakhs) has not been taken credit for in the accounts. The matter is at present under arbitration.
 - (c) Refund claim of Rs. 99.88 lakhs (1975: Rs. 99.88 lakhs) in respect of excise duty on Hot Heavy Stock claimed by the suppliers at the instance of the Corporation pending its finalisation.
 - (d) Claim amounting to Rs. 344.28 lakhs (1975: Nil) relating to product pattern variations, pending approval of the Government of India.
 - (e) In respect of Naphtha loss suffered by the Corporation due to Fire Accident at Mourigram Installation, an ad hoc claim has been lodged with the Insurer. However, the quantum of final claim cannot be ascertained, pending a decision by the Customs/Excise Authorities on waiver of
- duty on lost quantity.
17. Service charges amounting to Rs. 116.42 lakhs (1975: Rs. 85.88 lakhs) paid to Research and Development Centre set up by the Corporation at Faridabad, have been charged as to the cost of manufacture of lubricating oils. Since then, the Government instructions as to the method of calculations of costs have been received. The Corporation has sought certain further clarifications thereon and adjustments, as may be necessary shall be carried out during the next financial year.
 18. The profit for the year is reduced by the loss on account of processing of crude oil in other Marketing Companies Refineries during the year amounting to Rs. 145.40 lakhs (1975: Rs. 932.03 lakhs) which is arrived at after adjusting the recoveries from the Pool Account and taking credit at ex-refinery price for the finished products as provided in pricing formula. The Corporation has requested the Government for compensation in respect of the loss and the matter is still under their consideration.
 19. Arising out of the changes in the pricing system and consequent procedure for adjustments, in the Pool Accounts, there has been certain modifications in the valuation of finished and intermediate stocks this year resulting in a lower valuation and thereby in the reduction of Profit for the year by Rs. 377.83 lakhs.
 20. Pending finalisation with the Government of India a sum of Rs. 32.82 lakhs (1975: Rs. 255 lakhs) being compensation for loss on utilisation of Indian Flag Vessels (used for carrying crude oil/oil products) has been included as claims recoverable.
 21. The Profit and Loss Account includes expenses on Public Relations and Publicity of Rs. 40.75 lakhs (1975: Rs. 36.22 lakhs).
 22. Remuneration paid or payable to full-time Directors was Rs. 2,37,741 (1975: Rs. 1,99,390). In addition, full-time Directors are also allowed the use of Corporation's car for private purposes upto 500 KM per month on a payment of Rs. 100 p.m. Further, Managing Director, Marketing, has been



allotted a company owned flat on recovery of rent at 10 per cent of his basic pay. The facility of club subscription Rs. 570 (1975: Rs. 350) included in the above remuneration is subject to the sanction of the appropriate authority.

Remuneration of Rs. 9,228 was paid in earlier year to the then Managing Director (Marketing) subject to the approval of the appropriate authority.

23. Information required under paragraphs 3(i) (a), 3(ii), 3(x)(f) note 2, 4C and 4D(b) and 4D(e) of Part II of Schedule VI to the Com-

panies Act, 1956 is given in Schedules 'Q' to 'V'. Exemption has been obtained from the Government for noncompliance with para 4D(a) and 4D(c) of Part II of Schedule VI of the Companies Act, 1956 for the year 1975-76.

24. Figures in the bracket indicate deductions.

25. Previous year's comparative figures have been regrouped to the extent practicable wherever necessary.

Signatures to Schedules 'A' to 'V'

C.R. DAS GUPTA
Chairman

R. M. BHANDARI
Finance Director

S. B. BUDHIRAJA
*Managing Director
(Marketing)*

R. N. BHATNAGAR
*Managing Director
(Refineries & Pipeilnes)*

D. B. PURI
Secretary



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

Index

	PETROLEUM PRODUCTS		LUBRICATING OILS	
	1976 M.Ts.	1975 M.Ts.	1976 M.Ts.	1975 M.Ts.
(i) Licensed capacity (including Mathura Refinery Project under construction 60,00,000 M.T. and 30,00,000 M.T. for Gujarat Refinery Expansion)	1,82,50,000	1,82,50,000	1,70,000	1,70,000
(ii) Installed capacity (as certified by the Management and accepted by the Auditors without verification)	92,50,000**	92,50,000**	1,40,000	1,40,000
(iii) Actual production	86,41,267	72,62,369	68,177	82,615
	24,121§	79,350§		
(iv) Products Processed/Manufactured by others	2,61,483	14,07,807	5,882	4,771
			1,84,564§§	2,02944§§

* Licensed capacity is 15,00,000 drums for Asphalt Drums and Lube Oil Drums put together.

** The installed capacity in terms of crude oil input as per Project Report certified by the Deputy General Manager-Technical.

t Per year operating in two shifts.

tt Per year operating in single shift.

: Per shift of 8 hours a day.

§ Cubic metres.

§§ In Kilo Litres.

SCHEDULE 'R'-FINISHED PRODUCTS-QUANTITY AND VALUE PARTICULARS -TURNOVER

	OPENING STOCK		
	MTs.	QUANTITY Kls.	VALUE RUPEES
1. FORMULA PRODUCTS:			
As on 31st March, 1976	4,75,474 *	11,00,130 *	1,07,44,90,857 *
As on 31st March, 1975	4,82,765	18,47,088*	93,36,64,512*
2. LUBRICANTS AND GREASES:			
As on 31st March, 1976	9,446	74,462	20,76,99,731
As on 31st March, 1975	8,296	63,338	13,57,45,488
3. OTHER PETROLEUM PRODUCTS:			
As on 31st March, 1976	97,054	9,699	6,70,88,001
As on 31st March, 1975	76,106	7,821	3,85,46,369
4. CRUDE OIL:			
As on 31st March, 1976	—	—	—
As on 31st March, 1975	11,327	—	82,39,836
5. BASE OIL AND ADDITIVES:			
As on 31st March, 1976	—	—	—
As on 31st March, 1975	—	—	—
TOTAL:			
As on 31st March, 1976	5,81,974	11,84,291	1,34,92,78,589
As on 31st March, 1975	5,78,494	19,18,247	1,11,61,96,205

SCHEDULE 'Q'-LICENSED CAPACITY, INSTALLED CAPACITY AND ACTUAL PRODUCTION Contd...

Index

ASPHALT DRUMS		LUBE OIL DRUMS		18.5 LITRES (TINS)	
1976 Nos.	1975 Nos.	1976 Nos.	1975 Nos.	1976 Nos.	1975 Nos.
15,00,000*	15,00,000*	-*	-*	-	-
10,00,000t	10,00,000t	5,00,000t	5,00,000t	8,000t	8,000t
5,62,143	6,83,905	1,62,568	1,85,648	-	4,52,619
5,53,165	5,32,201	4,89,111	5,14,476	-	-

SCHEDULE 'R'-FINISHED PRODUCTS-QUANTITY AND VALUE PARTICULARS -TURNOVER Contd...

PURCHASES INCLUDING EXCISE DUTY			SALES			CLOSING STOCK		
QUANTITY		VALUE	QUANTITY		VALUE	QUANTITY		VALUE
MTs.	KLs.	RUPEES	MTs.	KLs.	RUPEES	MTs.	KLs.	RUPEES
7,41,264	99,79,646	11,75,71,83,087	15,74,626	1,71,37,888	18,93,98,54,487	2,43,793	1,77,518	95,51,98,957
9,02,355	1,01,38,413	11,31,07,91,992	12,83,720	1,82,81,878	17,64,41,25,442	4,75,474	11,65,133	1,09,29,20,596
6,862	1,524	31,48,02,394	10,210	2,68,355	1,27,18,57,195	2,450	38,428	15,29,01,132
28,470	3,743	22,92,90,893	3,730	3,47,140	1,10,71,39,161	9,446	74,462	20,76,99,731
567	25,290	4,06,60,685	12,18,265	4,81,971	96,61,93,818	1,23,030	14,056	8,80,85,530
2,557	11,861	3,81,92,988	10,92,534	3,97,157	81,82,12,729	89,576	9,699	6,20,17,693
			79,350t					
39,18,712	-	3,04,32,36,162	39,18,712	-	3,05,59,25,547	-	-	-
80,235	-	5,65,67,452	91,562	-	6,50,91,347	-	-	-
4,994	-	65,10,752	4,994	-	68,09,185	-	-	-
-	-	-	-	-	-	-	-	-
46,72,399	1,00,06,460	15,16,23,93,080	67,26,807	1,78,88,214	24,24,06,40,232	3,69,273	12,30,002	1,19,61,85,619
10,13,617	1,01,54,017	11,63,48,43,325	24,71,546	1,90,26,175	19,63,45,68,679	5,74,496	12,49,294	1,36,26,38,020
			79,350t					

* Includes 7,478 MTs (-) 65,003 KLs (1975: 1,632 KLs) Value (-) Rs. 1,33,59,431(1975: Rs. 4,73,980) in respect of adjustment of previous years.

t Cubic Metres.

- Notes: 1. Purchases and Sales exclude value adjustments shown under items pertaining to the previous years.
2. In view of the physical stocks and the records of Drums manufactured as well as purchased being combined, separate information in respect of opening and closing stock of Drums manufactured is not feasible.
3. Adjustment for transit and temperature variations has been made in regard to quantitative information given, in respect of purchases.



SCHEDULE 'S' - CONSUMPTION PARTICULARS OF RAW MATERIALS

	QUANTITY		VALUE	1975		VALUE
	MTs.	KLs.	Rupees	QUANTITY	KLs.	Rupees
				MTs.		
1. Crude Oil	95,02,814	-	4,74,16,87,391	93,52,054	-	4,55,17,65,536
2. Base Oils	62,052	1,92,034	54,89,05,485	89,547	1,99,339	55,47,63,373
3. Additives	2,337	4,983	11,84,89,916	2,297	4,515	8,60,26,058
4. Steel Coils and Sheets*	20,883	-	8,36,08,540	21,973	-	6,89,66,233
TOTAL	95,88,086	1,97,017	5,49,26,91,332	94,65,871	2,03,854	5,26,15,21,200

Note: 1. Additives are not considered as Raw materials in Refineries Division.

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

* Shown under other packages consumed in the Profit and Loss Account.



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

	Rupees	1975 Rupees
1. Employees employed throughout the year and in receipt of total remuneration not less than Rs. 36,000 per annum:		
Number	<u>27</u>	<u>27</u>
(a) Salaries, Wages and Bonus	9,91,552	9,48,931
(b) Contribution to Provident Fund/Family Pension Fund	62,330	63,831
(c) Total (a) + (b)	<u><u>10,53,882</u></u>	<u><u>10,12,762</u></u>
2. Employees employed for part of the year and in receipt of remuneration not less than Rs. 3,000 per month:		
Number	<u>3</u>	<u>2</u>
(a) Salaries, Wages and Bonus	74,151	48,279
(b) Contribution to Provident Fund/Family Pension Fund	4,250	3,931
(c) Total (a) + (b)	<u><u>78,401</u></u>	<u><u>52,210</u></u>

The above figures exclude amounts shown under items pertaining to previous years.



**SCHEDULE 'U'-EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF
ROYALTY, KNOW-HOW, PROFESSIONAL AND CONSULTATION FEES,
INTEREST AND OTHER MATTERS FOR THE YEAR ENDED
31st MARCH, 1976**

Index

	<u>Rupees</u>
Foreign Agency Fees	7,05,50,059
Royalty (excluding income tax)	7,07,034
Technical know-how fees	4,07,383
Professional consultation fees	1,15,67,850
Interest	50,89,502
Other matters	30,68,498
TOTAL	<u>9,13,90,326</u>

SCHEDULE 'V' - EARNINGS IN FOREIGN EXCHANGE FOR THE YEAR ENDED 31st MARCH, 1976

	<u>Rupees</u>
1. Export of goods calculated on FOB basis	
(a) Export	47,89,92,243
(b) Capital goods issued to Nepal Oil Corporation Limited (received in Indian Currency)	7,01,688
2. Interest and Dividend	1,02,535
3. Other Income	
(a) Service Charges (received in Indian Currency)	92,259
(b) Others	71,660
TOTAL	<u>47,99,60,385</u>



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

	<u>No. of Shares</u>	<u>Paid up Value</u>
		<u>Rupees</u>
1. Shares in the subsidiary companies were registered in the names of the Company and their nominees as indicated: <u>As at 31st March, 1976:</u>		
Indian Oil International Limited (in voluntary liquidation)	—	—
Indian Oil Blending Limited	8,000	40,00,000
2. Net aggregate amount of the Profit of the subsidiary company not dealt with in the Company's account so far as they concern the members of the Company are:		
	For the Financial year ended 31 St <u>March 1976</u>	<i>Previous Financial year cumulative <u>Total</u></i>
	<u>Rupees</u>	<u>Rupees</u>
Indian Oil International Limited (in voluntary liquidation)	12,535*	30,242
Indian Oil Blending Limited	10,03,289	18,74,039
3. Net aggregate amount of the Profit of the subsidiary company as far as its Profits are dealt with in the Company's accounts are:		
	For the Financial year ended 31st <u>March, 1976</u>	<i>Previous Financial year cumulative <u>Total</u></i>
	<u>Rupees</u>	<u>Rupees</u>
Indian Oil International Limited (in voluntary liquidation)	1,00,000	40,000
Indian Oil Blending Limited	2,00,000	1,11,200

* Represents excess Revenue Receipts over Revenue Disbursement.

C. R. DAS GUPTA
Chairman

R. M. BHANDARI
Finance Director

S. B. BUDHIRAJA
Managing Director
(Marketing)

R. N. BHATNAGAR
Managing Director
(Refineries & Pipelines)

D. B. PURI
Secretary



SCHEDULE OF FIXED ASSETS (TOWNSHIP)

	Gross Block as at 31st March, 1975 at cost	Additions during the year at cost	Transfers from Construction work-in-progress at cost	Transfers, Deductions and Reclassifications at cost
	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>
LAND: Freehold	54,15,840	38,27,613	–	–
Leasehold	8,31,769	–	–	–
BUILDINGS, ROADS ETC.	10,23,38,216	5,200	32,36,852	(–) 48,216
PLANT AND MACHINERY	54,13,473	31,100	1,34,145	(–) 21,000
DRAINAGE, SEWAGE & WATER SUPPLY SYSTEM	1,19,04,767	1,360	1,17,684	(–) 15,519
EQUIPMENT AND APPLIANCES	25,70,275	94,909	–	(–) 1,58,540
FURNITURE AND FIXTURES	7,50,911	1,03,441	–	(–) 1,706
VEHICLES	29,81,260	4,75,849	–	(–) 3,70,010
SUNDRY ASSETS	42,023	1,061	–	–
TOTAL	13,22,48,534	45,40,533	34,88,681	(–) 6,14,991
<i>PREVIOUS YEAR</i>	12,40,07,389	11,96,782	35,12,497	(–) 5,39,524
CAPITAL WORK-IN-PROGRESS				
<i>PREVIOUS YEAR</i>				
TOTAL				
<i>PREVIOUS YEAR</i>				



SCHEDULE OF FIXED ASSETS (TOWNSHIP) Contd...

Gross Block as at 31st March, 1976 at cost	Depreciation and Amortisation provided during the year	Total Depreciation and Amortisation upto 31st March, 1976	Net Depreciated Block as at 31st March, 1976	1975
<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>
92,43,453	—	—	92,43,453	54,15,840
8,31,769	8,403	98,023	7,33,746	7,42,148
10,55,32,052	2 5,42,797	1,90,08,901	8,65,23,151	8,20,11,423
55,57,718	2,87,01 7	19,69,915	35,87,803	36,37,291
1,20,08,292	4,79,442	43,99,200	76,09,092	79,85,009
25,06,644	2,34,057	16,06.481	9,00,164	11,58,756
8,52,646	85,251	4,81,231	3,71,415	3,53,626
30,87,099	3,49,916	15,66,316	15,20,782	14,19,917
43,084	8,616	28,751	14,333	21,888
13,96,62,757	39,95,469	2,91,58, 818	11,05,03,939	10,27,45,898
12,81,77,144	35,50,593	2,54,31,246	10,27,45,898	
			13,37,415	
			27,96,467	
			11,18,41,354	
			10,55,42,365	



**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST
MARCH, 1976 ON PROVISION OF TOWNSHIP EDUCATION,
MEDICAL AND OTHER FACILITIES**

<u>INCOME</u>	<u>Rupees</u>	<u>1975 Rupees</u>
1. Recovery of House Rent	21,35,129	18,94,543
2. Recovery of Utilities: Power and Water	6,66,016	5,59,394
3. Recovery of Transport charges	2,21,506	1,48,926
4. Other Recoveries	4,66,899	2,87,665
5. Excess of Expenditure over income	3,89,07,648	3,40,81,569
TOTAL	<u>4,23,97,198</u>	<u>3,69,72,097</u>
<u>EXPENDITURE</u>		
1. Salaries, Wages, Bonus and P.F. Contribution	1,35,36,764	1,20,84,658
2. Consumable Stores and Medicines	41,77,991	37,24,622
3. Subsidies for Social and Cultural Activities	10,53,163	4,79,730
4 Repairs and Maintenance	24,55,306	19,25,800
5. Interest	70,47,795	65,32,162
6. Depreciation	39,87,471	35,49,270
7. Miscellaneous Expenses		
Taxes, Licence Fees. Insurance etc.	29,66,964	27,73,173
6. Utilities: Power and Gas	71,71,744	59,02,682
TOTAL	<u>4,23,97,198</u>	<u>3,69,72,097</u>



ADDENDUM TO THE DIRECTORS' REPORT DATED 20TH AUGUST, 1976

The following remarks are offered on the Report of the Statutory Auditors dated 9th August, 1976 to the Shareholders under Section 227 of Companies' Act, 1956, on the Accounts for the year ended 31st March, 1976.

Note No. 3

The exchange fluctuations are accounted as and when the foreign loans and the interest thereon are paid.

Note No. 5

The title deeds, lease agreements and other formal agreements in respect of certain lands are in the process of finalization and these will be available for verification as soon as they are executed. Provision for liability in respect of matters relating to land will be made on finalization of the necessary agreements.

Note No. 6

Adjustments as necessary are being made on disposal of surplus stores.

Note No. 8 & 10

The Corporation has claimed the amounts referred to in Notes 8 & 10 on legal grounds and hence they have been classified as good and recoverable.

Note No. 19

Note is self-explanatory.

Note No. 20

The claim referred to under Note 20 was under correspondence with the Government.

Bombay.
Dated 14th September, 1976.

For and on behalf of the
Board of Directors
C. R. DAS GUPTA
Chairman

COMMENTS OF THE COMPTROLLER AND AUDITOR-GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF THE INDIAN OIL CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH, 1976 AND REPLIES OF THE BOARD OF DIRECTORS.

COMMENTS OF THE COMPTROLLER AND AUDITOR-GENERAL OF INDIA

REPLIES OF THE BOARD OF DIRECTORS

BALANCE SHEET

1. Fixed Assets

**Construction work-in-progress and capital goods in stock—
Schedule 'F'—Rs. 77,81,77,110**

This does not include Rs. 4.04 lakhs which have been classified as revenue expenditure.

Adjustment as necessary will be carried out in the year 1976-77.

**2. Current Assets, Loans & Advances: Inventories — Schedule 'H' — Rs. 1,82,01,16,876
Stock-in-trade—Rs. 1,25,87,46,587**

This includes an off-specification product which was originally intended to be blended as Av. gas 100/130 but subsequently down-graded as motor spirit. The product was however, valued at the rate applicable to Av. gas Resulting in over-valuation by Rs. 21.41 lakhs and consequent over-statement of profit.

The product was down-graded only in 1976-77. Necessary adjustment will be made in the accounts for 1976-77.

3. Book Debts—Schedule 'I'—Rs. 46,69,10,313

These include Rs. 159.40 lakhs which have not been accepted by the customer.

The matter has been referred to the Ministry of Petroleum and is under their consideration. The Corporation considers the debt as good.

4. Loans and Advances—Schedule 'J'—Rs. 63,63,41,608

Claims recoverable—Unsecured Considered Good—Rs. 12,09,15,762

The above include rejected claims of Rs. 12 88 lakhs.

Claims for Rs. 12.48 lakhs are under discussion/ correspondence and are being followed with the concerned authorities. Claim of Rs. 0.40 lakh has been written off in 1976-77

5. Current Liabilities & Provisions—Schedule 'K'—Rs. 3,46,64,44,425

Provision has not been made for the liabilities aggregating Rs. 21.23 lakhs (Rs. 19.67 lakhs on revenue account and Rs. 1.56 lakhs on capital account).

Noted. Adjustment as necessary will be carried out in the next year's accounts.

6. Schedule 'P'—Notes on the accounts for the year ended 31st March, 1976

(a) Note: 1

Contingent liabilities not provided for, shown in the note do not include liabilities of Rs. 98.83 lakhs (Rs. 87.08 lakhs on account of excise duty on losses on coastal movements of products and Rs. 11.75 lakhs on account of tankage assistance by Messrs. Indo-Burma Petroleum).

No demand has been received for Rs.87.08 lakhs and hence the provision of contingent liability was not considered necessary. Regarding Rs. 11.75 lakhs, necessary adjustment will be made after settlement with IBP.

(b) Note: 1(a)(i)

Contingent liability of Rs. 1,144.13 lakhs in respect of Central Excise duty mentioned in the note includes an amount of Rs. 657.82 lakhs which represents the duty payable on the fuel used in Gauhati and Barauni Refineries upto 16th December, 1970 and that payable in respect of Furnace Oil declared as LDD in Barauni Refinery Government have not accepted the request of the Company for waiver.

As the demands in respect of Central Excise Duty have been disputed by the Corporation and the cases are pending in various stages of appeals, the amount has been shown as contingent liability.



PROFIT AND LOSS ACCOUNT

Index

A. INCOME:**7. Sale of products and crude and transfers under product exchange—Rs. 24,24,06,40,232**

(a) includes Rs. 22.90 lakhs (previous year Rs. 20.14 lakhs) being the notional railway freight recovered through price build-up ex-Tuticorin and Mangalore installations which should have been credited to Freight Surcharge Pool as full cost of coastal transportation of products to these installations was claimed separately from the Fool.

The FSP Scheme does not provide for credit of this amount to Freight Surcharge Pool Account.

(b) The Company is required to debit/credit under-recoveries/super profits on the sale of lubricants and greases to Cost and Freight Adjustment Account. During 1975-76, under-recovery of Rs. 13.40 crores has been so debited. The net under-recoveries debited upto 31-3-1975 amounted to Rs. 4.72 crores. Government's approval to these adjustments has not been received.

The audited statements of accounts upto December, 1975 have already been submitted to the Government for approval; their approval is still awaited.

(c) (i) Debit for processing charges of lubricants and greases has been taken on notional basis as against the cost which was lower by Rs. 17.58 lakhs (previous year Rs. 17.27 lakhs). In addition, the Corporation realised and retained Rs. 2.59 lakhs from other oil companies towards processing charges in excess of the actuals. As the other oil companies also debited the Block Control Account with the processing fee paid by them to the Company, the Block Control Account has been excess debited by Rs. 20.17 lakhs in all. There is no sanction of Government for this excess debit.

No blending fee under Block Control Account has been fixed by the Government. Adjustment of Rs. 17.27 lakhs has been made on the same basis as was approved by Government in respect of earlier years. The recovery of blending fee for Rs. 2.59 lakhs from other oil companies is not required to be surrendered to the Block Control Account.

(ii) Rebate of Rs. 9.30 lakhs (approx.) allowed on sales of Lubes to Indo-Burma Petroleum Company Ltd. in excess of Government orders of 3rd September 1975 for the period prior to 31-3-1976 has not been adjusted in the accounts.

The matter has since been settled with IBP and the adjustment as necessary will be made in the next year, and this will not affect the profitability of the Corporation.

(iii) An amount of Rs. 54.06 lakhs being the refund of excise duty obtained from excise authorities which is to be surrendered to Block Control Account has not been surrendered.

Necessary adjustment either to refund to other oil companies or adjustment in Block Control Account will be made after seeking clarification from the Government. The amount has already been shown as liability of the Corporation.

8. Company's use of own oil—Rs. 6,75,59,521

The supply of bunkers to vessels chartered by the Corporation for international as well as coastal movement, though treated as Company's use of own oil, has been taken credit for at the selling price instead of at cost. The difference between the selling price and the cost in respect of international movement amounted to Rs. 123.25 lakhs and that (difference between selling price and cost) in respect of coastal movement amounted to Rs. 48.33 lakhs. The extent to which the profit has been over-stated on this account is not ascertainable.

The bunkers supplied to Corporation's chartered vessels is treated as consumption and not as sale on a consistent basis.

The product exchange agreement is under discussion between

9. Main installation charges received from other Marketing Companies—Rs. 1,18,69,635

These include Rs. 56.95 lakhs received provisionally from other marketing companies during 1975-76 (Rs. 55.74 lakhs in 1974-75) subject to refund in the event of the supply agreement not being satisfactorily concluded.

the Government and the oil companies. There is no likelihood of agreement being not satisfactorily concluded.

COMMENTS OF THE COMPTROLLER AND
AUDITOR-GENERAL OF INDIAREPLIES OF THE BOARD OF
DIRECTORS

Index

B. EXPENDITURE:**10. Purchase of Products and crude for re-sale and transfers under product exchange Rs. 10,71,13,97,169**

Under the scheme the pricing of petroleum products, difference between the actual cost of imported and indigenous crude and the uniform price adopted for price fixation is reimbursable to/by the oil companies by debit/credit to Crude Oil Price Equalization Account. While working out the compensation in respect of imported crude, the Corporation has taken credit for Rs. 20 lakhs approximately (previous year Rs. 158 - lakhs) relating to bunker supplies which is inadmissible under the scheme. While calculating the amount to be credited by Corporation to Crude Oil Price Equalization Account, indigenous crude allocated to bunker supplies has been excluded resulting in short credit of Rs. 37.33 lakhs approx. (previous year Rs. 142 lakhs approx.)

The allocation of bunker quantities has consistently been refineries. In accordance with the provision of the above scheme, no such adjustment is considered necessary.

11. Manufacturing, Administration Selling and Other Expenses – Schedule 'M' — Rs. 7,13,70,58,280 Freight and Transportation charges (net of recoveries from Pool Accounts) — Rs. 69,66,48,807

- (i) A credit of Rs. 9.73 lakhs (previous years) Rs. 39.80 lakhs) has been taken by debit to Freight Surcharge Pool on account of siding charges at Bombay and Kandla which are not re-convertible under the orders of Government.
- (ii) For the purpose of adjustment to Freight Surcharge Pool the Company had treated the Haldia Barauni Pipeline and Haldia-Mourigram-Raj-bandh Pipeline as a single complex and this resulted in lesser credit to the Freight Surcharge-Pool of Rs. 1.30 crores.

The credit of Rs. 9.73 lakhs is admissible as the sales have been made outside Bombay and Kandla pricing zones.

Haldia-Mourigram-Rajbandh Product pipeline was constructed to cater to the needs of Mourigram and Rajbandh area after a decision was taken to convert the Haldia-Barauni product pipeline to transport crude oil to Barauni refinery. Both these lines were used during the year for transporting products in the same region and thus form one pipeline complex. Viewed in this context the credit to Freight Surcharge Pool has been correctly made. The adjustments, however, are subject to special audit under Freight Surcharge Pool scheme as indicated in Note No. 15 of Schedule 'P'.

12. Expenses/Income pertaining to previous years— Schedule 'O' — Rs. 3,26,26,053

- (a) Credit of Rs. 44.79 lakhs has been taken by writing back adventitious gains surrendered according to Government's order to Pool Accounts in the previous years.
- (b) According to a decision taken by the Company all expenses and income exceeding Rs. 1 lakh in each case and unusual items only are debited or credited to prior period adjustment account. The Profit and Loss account is required to bring out the results of working of a company during the period covered by the account. The period to which the transactions relate should be the criterion in preparing the profit and loss account of the year.

There adjustment became necessary consequent on conversion of loan transactions with HPC to Sale. The Corporation has laid down a limit of Rs. 1 lakh in respect of each transaction of income and expenditure relating to prior years keeping in view the materiality in relation to the total volume of transactions of the Corporation. This does not materially affect the disclosure of the results of the working of the Company during the period covered by the account.

Our replies to point Nos. 1, 2, 3, 4, 5, 7, 8, 10, 11, 12(a) and 12(b) clarify the position.

13. Reserves a Surplus—Schedule 'B'—Rs. 1,49,31,75,248 Profit & Loss Account Balance—Rs. 48,570

These have to be considered having regard to non-provision/under provision of various liabilities etc. indicated in the comments, particularly those mentioned in comment Nos. 1, 2, 3, 4, 5, 7, 8, 10, 11, 12(a) and 12(b).

M. S. SARNA
MEMBER, AUDIT BOARD & EX OFFICIO
DIRECTOR OF COMMERCIAL AUDIT
DEHRADUN
Dehradun, Dated 11th September. 1976.

For and on behalf of the
Board of Directors
C. R. DAS GUPTA
Chairman

Bombay. Dated 14th September. 1976.



ANNEXURE TO THE DIRECTORS' REPORT DATED 20TH AUGUST, 1976

Index

REVIEW OF THE ACCOUNTS OF INDIAN OIL CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH, 1976 BY THE INDIAN AUDIT AND ACCOUNTS DEPARTMENT

1. Financial Position

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

		(Rupees in lakhs)		
		1973 - 74	1974-75	1975 - 78
Liabilities:				
(a)	Paid-up Capital	7,117.72	7,117.72	7,117.72
(b)	Reserves and Surplus	10,015.81	12,510.11	14,931.75
(c)	Borrowings:			
	(i) From the Government of India	1,564.29	1,315.32	2,230.42
	(ii) Oil industry Development Fund	—	500.00	985.00
	(iii) Foreign Credit	901.33	5,099.04	768.49
	(iv) From Bank-Cash Credit	4,900.79	2,175.28	—
	(v) Short term credit from Scheduled Bank	152.19	—	—
	(vi) Deferred Payment	20.63	17.61	15.10
(d)	Trade dues and other current liabilities (including provisions)	28,127.48	33,348.02	34,759.63
	TOTAL	52,800.24	62,083.10	60,808.11
Assets:				
(e)	Gross Block	22,265.85	27,759.28	30,621.18
(f)	Less: Depreciation	9,534.46	11,508.12	14,019.49
(g)	Net fixed assets	12,731.39	16,251.16	16,601.69
(h)	Capital work-in-progress (including unallocated expenses)	5,723.67	3,665.84	5,297.84
(i)	Other assets (mainly machinery and equipments in transit and stores)	1,598.54	2,028.23	2,483.93
(j)	Current assets, loans and advances (excluding investments other than those lodged by outside parties as security deposit)	32,720.09	40,091.01	36,378.25
(k)	investments	26.55	46.86	46.40
	TOTAL	52,800.24	62,083.10	60,808.11
	Capital employed	17,752.70	23,594.94	18,924.54
	Net worth	17,133.53	19,627.83	22,049.47

- Notes:
1. Capital employed represents net fixed assets plus working capital.
 2. Net worth represents paid-up capital plus reserves and surplus less intangible assets.



2. Capital Structure

(a) **Debt equity ratio**

The debt equity ratio for the Company has been 0.35:1 in 1973-74, 0.97:1 in 1974-75 and 0.56:1 in 1975-76.

(b) The amount of loans taken from the Govt. of India outstanding as on 31 st March, 1976 was Rs. 2,230.42 lakhs. In respect of a loan of Rs. 1,400 lakhs taken by Corporation in 1975-76 moratorium for one year for repayment of principal and in respect of a loan of Rs. 500 lakhs taken in 1974-75 moratorium for two years for repayment of principal was granted by the Government of India.

3. Reserves and Surplus

The reserves and surplus (Rs. 14,931.75 lakhs) amounted to:

(a) 24.6 per cent of the total liabilities in 1975-76 as against 20.2 per cent in 1974-75 and 19.0 percent in 1973-74.

(b) 209.8 percent of equity capital (Rs. 7,117.72 lakhs) in 1975-76 as against 175.8 percent in 1974-75 and 140.7 percent in 1973-74.

4 Liquidity and Solvency

(a) The proportion of current assets (including investments) to total net assets increased from 62.0 percent in 1973-74 to 64.7 percent in 1974-75 and decreased to 59.9 per cent in 1975-76.

(b) The percentage of current assets (including investments) to current liabilities (including provisions) increased from 116.4 in 1973-74 to 120.4 in 1974-75 and decreased to 104.8 in 1975-76.

(c) The percentage of quick assets (sundry debtors, advances, cash and bank balances) to current liabilities (excluding provisions) increased from 56.9 in 1973-74 to 59.5 in 1974-75 and decreased to 52.5 in 1975-76.

5. Working Capital

The working capital (current assets, loans and advances less trade dues and current liabilities excluding provision for gratuity) of the Company at the close of the three years ending 31st March. 1976 amounted to Rs. 5,021.31 lakhs, Rs. 7,343.78 lakhs and Rs. 2,322.85 lakhs respectively and represented 0.5, 0.5 and 0.1 month's value of business at cost (excluding depreciation) during these years. The working capital as on 31st March. 1976 was financed through loans from Oil industry Development Fund (Rs. 985 00 lakhs) and the balance from internal resources (Rs. 1,337.85 lakhs).

6. Sources and uses of funds

Funds amounting to Rs. 4,306.56 lakhs from internal resources (reserves and surplus, depreciation and provisions) and Rs. 643.04 lakhs from other sources were utilised in 1975-76 as under:—

	<i>(Rupees in lakhs)</i>
Gross block including Capital Work-in-progress and Capital Goods in Stock	4,949.60

7. Working Results

The working results of the Company for the last three years are tabulated below:

	<i>(Rupees in lacs)</i>		
	<u>1973 - 74</u>	<u>1974-75</u>	<u>1975 - 76</u>
(i) Profit before tax	4,155.33	5,075.85	5,567.32
(ii) Tax provision	2,100.00	2,150.00	2,700.00
(iii) Profit after Tax	2,055.33	2,925.85	2,867.32

Percentage of Profit before tax:

(a) To sales (inclusive of product exchange and transfers)	3.3	2.6	2.3
(b) To gross fixed assets	18.7	18.3	18.2
(c) To capital employed	23.4	21.5	29.4

Percentage of Profit after tax:

(a) To net worth	12.0	14.9	13.0
(b) To equity capital	28.9	41.1	40.3
(c) To capital employed	11.6	12.4	15.2



8. Cost trends

The table below indicates the percentage of cost of sales to sales during the last three Years:

	(Rupees in lakhs)		
	1973-74	1974-75	1975-76
Sales (inclusive of product exchange and transfers)	1,24,249.85	1,96,502.40	2,42,838.64
Less: Profit before tax	4,155.33	5,075.85	5,567.32
Cost of sales	1,20,094.52	1,91,426.55	2,37,271.32
Percentage of cost of sales to sales	96.7	97.4	97.7

9. Business performance

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

	(Rupees in Lakh)		
	1973-74	1974-75	1975-76
1. Sales (inclusive of product exchange and transfers)	1,24,249.85	1,96,502.40	2,42,838.64
2. Closing stock of raw materials, finished goods and stock in-process	14,562.53	17,892.85	15,458.19
3. Opening stock of raw materials, finished goods and stock-in-process	4,653.99	14,562.53	17,892.85
4. Adjustment in respect of opening stock	—	(+ 4.74)	(-) 133.59
5. Value of business (1 + 2) - (3 + 4)	1,34,158.39	1,99,827.98	2,40,537.57

The percentage of value of business to net worth increased from 783.0 in 1973-74 to 1,018.1 in 1974-75 and to 1,090.9 in 1975-76. The percentage of value of business to total net assets increased from 254.1 in 1973-74 to 321.9 in 1974-75 and to 395.5 in 1975-76.

10. Inventory and production

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

	(Rupees in lakhs)		
	1973-74	1974-75	1975-76
(i) Stores and spare parts (including in transit)	1,709.90	2,875.68	2,578.93
(ii) Loose tools	3.23	2.99	1.10
(iii) Stock-in trade (including raw materials and stock-in-process)	14,562.53	17,882.85	15,458.19
(iv) Stock of empty barrels and tins	67.40	124.41	162.95
	16,343.06	20,595.93	18,201.17

Stock in trade represented 0.8 month's sales in 1975 as compared with 1.1 months sales in 1974-75 and 1.4 months sales in 1973-74.

11. Sundry debtors and turnover

The following table indicates the volume of book debts and sales for the last three Years:

As on	Total book debts		Sales (inclusive of product exchange and transfers)	Percentage of debtors to sales
	Considered good	Considered doubtful		
31st March, 1974	6,150.34	151.89	1,24,245.85	5.1
31st March, 1975	5,235.24	168.84	1,96,502.40	2.8
31st March, 1976	4,669.10	178.87	2,42,838.84	2.0

Sundry debtors represented about 0.6 month's turnover in 1973-74, 0.3 month's in 1974-75 and 0.2 month's in 1975-76.



INDIAN OIL INTERNATIONAL LIMITED

(IN LIQUIDATION)

LIQUIDATOR'S STATEMENT OF ACCOUNTS

AND

AUDITORS' REPORT

FOR THE PERIOD 1ST APRIL, 1975 TO 30TH SEPTEMBER, 1975
AND 1ST OCTOBER, 1975 TO 31ST MARCH, 1976



(IN LIQUIDATION)

AUDITORS

Messrs. S. GHOSH & COMPANY,
Chartered Accountants,
BHARAT BHAWAN,
3, CHITTARANJAN AVENUE,
CALCUTTA-13.

BANKERS

STATE BANK OF INDIA,
CHOWRINGHEE BRANCH,
CALCUTTA.

LIQUIDATOR

Shri N. S. SHIVANANDA.

REGISTERED OFFICE

INDIANOIL BHAVAN,
JANPATH,
NEW DELHI



(IN LIQUIDATION)**Liquidator's Statement**

The Indian Oil international Limited was put into Members' Voluntary Winding up from 30-8-1974. At the Annual Meeting held on 15-9-1975, the company's accounts for the year 1974-75 were considered. Since then, six-monthly statements for the period 1-4- 1975 to 30-9- 1975 and 1-10-1975 to 31-3-1976 have been prepared. These statements, duly audited, have been submitted for kind perusal and approval at the 2nd Annual Meeting.

Last year, a detailed account of company's liabilities and assets was placed before the Members. As on 31-3-1976, the company has realised the outstanding dues as well as has paid out the outstanding liabilities.

The income Tax Returns for the years 1972-73, 1973-74 and 1974-75 have been finalised by the Income Tax Authorities at Calcutta. The company has been refunded Rs. 6,240 on this account. It may be recalled that in the last year's account, a provision of Rs. 7,615 was made towards income Tax but it was not paid, as a refund from the authorities was anticipated.

The company has made an ad hoc payment of Rs. 2 lakhs already to the Indian Oil Corporation Limited out of the total reserves. Thus, the overall financial position of the company as on 31-3-1976 shows an available surplus of Rs. 42,776.79 as per details given below:

	Rs.	P.
Paid-up capital invested by IOC	1,00,000.00	
General Reserve	92,262.19	
Depreciation Reserve	40,421.54	
Income Tax Provision (Written back)	7,615.00	
Income Tax Refund	6,240.00	
Total	2,46,538.73	
Less: Excess of expenditure over receipt	(–) 3,761.94	
	2,42,776.79	
Less: Paid on account to IOC	(–) 2,00,000.00	
Available surplus as on 31-3-1976	42,776.79	

It is expected that the affairs of the company will be fully wound up under the provisions of Section 497 of the Companies Act, 1956 very shortly. Under this Section, it is obligatory that the final meeting and dissolution should be called by advertisement in some newspaper and official gazette not less than one month before the meeting. Taking into consideration the legal formalities involved, the Members are requested to fix a date for holding the final meeting, some time in June, 1976.

N. S. SHIVANANDA*Liquidator**New Delhi,**13th April, 1976.*

(IN LIQUIDATION)

S. GHOSH & CO.,
Chartered Accountants.

Bharat Bhawan,
3, Chittaranjan Avenue
(Room Nos. C-8 & C-9),
CALCUTTA-700 013,

Dated the 2nd April, 1976.

Auditors' Report

on the Statement submitted by Voluntary Liquidator to the Registrar of Companies under Section 551 of the Companies Act, 1956 as amended

We have audited the Liquidator's Statement of Accounts from 1st October, 1975 to 31st March, 1976 including Annexures I, II, III, IV, & V relating to "MESSRS. INDIAN OIL INTERNATIONAL LIMITED (In Liquidation)".

We report that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of account as required by the Companies Act, 1956 and Companies (Court) Rules, 1959, have been kept by the Liquidator so far as appears from our examination of those books.
3. The Liquidator's Account relating to Realisation and Disbursement is in agreement with the books and records produced before us.
4. In our opinion and to the best of our information and according to the explanations given to us, the Liquidator's Account including Annexure I (excepting items included in I(a) in so far as they relate to estimate of the Liquidator and items IV, V, VI & VII) and Annexures II, III, IV & V, give the information required by the Companies Act, 1956 and the Companies (Court) Rules, 1959 in the manner so required and give a true and correct view of the real Ohm and disbursement by the Liquidator.

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner

**(IN LIQUIDATION)
LIQUIDATOR'S ACCOUNT**

(To be filled in duplicate)

1. Name: INDIAN OIL INTERNATIONAL LTD.
2. Nature of proceedings*:Members voluntary winding-up.
3. Date of commencement of winding up: 30-8 1974.
4. Date to which statement is brought down: 31st March, 1976.
5. Name & Address of Liquidator: N. S. Shivananda, Indian Oil Corpn. Ltd.,
Janpath, New Delhi.

LIQUIDATOR'S STATEMENT OF ACCOUNT PURSUANT TO SECTION 551 OF THE COMPANIES ACT, 1956 LIQUIDATOR'S ACCOUNT FROM 1ST OCTOBER, 1975 TO 31ST MARCH, 1976

DETAILED ACCOUNT OF LIQUIDATOR'S

Date	Of whom received and nature of assets realised	<u>REALISATIONS</u>					
		Revenue Receipts		SBI Current account		Fixed Deposit A/c.	
		Rs.	P.	Rs.	P.	Rs.	P.
1-10 75	Balance			32,250.79		2,00,000	00
1-10 75	Ratna Oil Stores – Uncashed Cheque No. 281028 written back			1,437.30			
27-10 75	Fixed Deposit encashed with interest	721.31		2,00,000.00		6,000.00	
24- 3-76	State Bank Suspense D/D realised			2,000.00			
25- 3-76	income Tax Refund			6,240	00		
Total carried down				<u>721.31</u>		<u>2,47,928.09</u>	<u>2,00,000.00</u>

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner
Calcutta
Dated the 2nd April 1976.



**(IN LIQUIDATION)
LIQUIDATOR'S ACCOUNT**

(To be filled in duplicate)

1. Name: INDIAN OIL INTERNATIONAL LTD.
2. Nature of proceedings*:Members voluntary winding-up.
3. Date of commencement of winding up: 30-8 1974.
4. Date to which statement is brought down: 31st March, 1976.
5. Name & Address of Liquidator: N. S. Shivananda, Indian Oil Corpn. Ltd.,
Janpath, New Delhi.

Exhibit 'A'

This is the Exhibit marked 'A' referred

affidavit of, solemnly affirm

before me this..... day of

..... COMMISSIONER

Contents

Index

REALIZATION AND DISBURSEMENTS

Date	To whom paid/against which A/c. & nature of disbursement	<u>DISBURSEMENTS</u>					
		Revenue disbursement/ adjustments		SBI Current A/c.		Fixed Deposit Account**	
		Rs.	P.	Rs.	P.	Rs.	P.
1-10-75	Bank charges			0.10			
23-10-75	Audit Fee (30-9-75)			350.00			
27-10-75	Fixed Deposit encashed					2,00,000.00(C)	
27-10-75	N. S. Shivananda TA Bill			198.65			
	Sundry Liquidation	139.60					
	Trvg. Expenses	1,743.55					
	Bank Charges	0.10					
	Income Tax Consultation Fee	2,000.00					
	Audit Fees from 1-10-75 to 31-3-76	350.00					
	Honorarium to Shri S. K. Dutta	250.00					
26 12-75	Reserve Bank of India Unclaimed balance deposited			1,437.30			
27-12-75	Indian Oil Corporation Ltd.			2,00,000.00			
12- 2-76	N. S. Shivananda Trvg. Adv.			1,000.00			
12- 2-76	Honorarium to Shri S. K. Dutta			250.00			
	Total carried down	<u>4,483.25</u>		<u>2,03,236.05</u>		<u>2,00,000.00</u>	

INDIAN OIL INTERNATIONAL LTD.,

N. S. SHIVANANDA

*Liquidator**Dated the 2nd April, 1976.*

(IN LIQUIDATION)

ANALYSIS OF BALANCE ON 31-3-1976

	Revenue		SBI Current A/c.		Cash in the hands of Shri Talwar	
	Rs.	P.	Rs.	P.	Rs.	P.
Total realization	721.31		2,47,928.09			
Total disbursements	4,483.25		2,03,236.05			
	†(-) 3,761.94		44,692.04		††587.80	

Notes:

1. Statement has been prepared in a detailed manner so as to reflect realization and disbursements through various sources. These details have been duly verified with the Ledger balance as on 31-3-1976.
2. Revenue receipts and disbursements are in the nature of Income & Expenditure account.
3. In furnishing This statement it is ensured that double entry principles have been followed and the figures given above have been cross-checked with trial balance as on 31-3-1976.
4. † Represents Rs. 3,761.94 being excess of expenditure over receipts debited to the amount to the credit of Indian Oil Corporation (the Sole Shareholder).

††Represents Rs. 587.80 being due from Shri Talwar Secretary as on 31-3-1976. This amount is being held by him to meet day to day expenses of liquidation.

NOTE: Here state whether it is winding-up under supervision of court or members or creditors' voluntary winding-up if it is a winding up under the supervision of the court the number of the petition or other proceeding in which the order was made and the date of the order should also be given.

NOTE: Full details of investments made and realization thereof have been shown separately.

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner
Calcutta
Dated the 2nd April, 1976.

INDIAN OIL INTERNATIONAL LTD.,
N. S. SHIVANANDA
Liquidator
Dated the 2nd April, 1976.



(IN LIQUIDATION)

ANNEXURE TO THE ACCOUNT-I STATEMENT OF ACCOUNT

Index

Statement as to the position of the liquidation as on 31st March, 1976 (the date to which statement is brought down)

I. ASSETS:	<u>Amount in Rs.</u>
(a) Assets not specifically pledged:	
Total amount of the estimated assets at the date of the commencement of the winding up	5,37,415.08
(b) Amount realised in excess of estimated assets being the sale proceeds of salvaged items through Indian Oil Corporation	1,673.06
	<u>5,39,088.14</u>
Less: Assets realised till 31st March, 1976	5,39,088.14
(c) Assets specifically pledged Balance to be realised	<u>Nil</u>

	Book value Rs. P.	Value realized Rs. P.	Due to secured creditors Rs. P.	Surplus (+) or Deficiency (-) Rs. P.
(i) Immovable Property				
(ii) Goods not in possession				
(iii) Goods in Possession	Nil	Nil	Nil	Nil
(iv) Other property				
(v) Surplus or deficiency from assets specifically pledged				Nil

II. LIABILITIES

	Total amount due Rs. P.	Amount paid adjusted Rs. P.	Amount outstanding Rs. P.	Remarks Rs. P.
(a) Secured creditors	Nil	Nil	Nil	
(b) Preferential creditors	Nil	Nil	Nil	
(c) Debenture holders secured by a floating charge	Nil	Nil	Nil	
Liabilities for expenses:				
Add: Audit Fee: 1-10-1975 to 31-3-1976	350.00	350.00		
Income Tax consultation fee	2,000.00		350.00	2,503.05
N. S. Shivananda Trvg. Expenses	<u>153.05</u>	<u>2,503.05</u>		
Other Liabilities:				
Payable to dealers having credit balance	5,818.81	5,818.81	Nil	
Indian Income Tax 1973-74	7,615.00	7,615.00*	Nil	
	<u>16,286.86</u>	<u>13,783.81</u>	<u>2,503.05</u>	

* Represents income Tax provision of Rs 7,615 brought forward from previous year transferred to Indian Oil Corpn. account (Sole Shareholder) since there is no tax liability as per the assessment order.

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner
Calcutta
Dated the 2nd April, 1976.

INDIAN OIL INTERNATIONAL LTD.,
N. S. SHIVANANDA
Liquidator
Dated the 2nd April, 1976



(IN LIQUIDATION)

ANNEXURE TO THE ACCOUNT—I—Contd.

Index

III. TOTAL AMOUNT OF CAPITAL PAID UP AT THE DATE OF COMMENCEMENT OF WINDING-UP:

As on 31-3-76
Rs. P.

(a) **Shareholders Equity (Indian Oil Corpn.)**

Paid up capital		1,00,000.00
Issued as paid otherwise than in cash		<u>Nil</u>
		1,00,000.00
General Reserve	92,262.19	
Depreciation Reserve	<u>40,421.54</u>	
		1,32,683.73
Income Tax provision (Excess provision transferred to Indian Oil Corpn.)	7,615.00	
Income Tax Refund (transferred to Indian Oil Corpn.)	<u>6,240.00</u>	
		<u>13,855.00</u>
		2,46,538.73
Less: Paid on account to Indian Oil Corpn.	2,00,000.00	
Excess of expenditure over receipts transferred to Indian Oil Corpn.	<u>3,761.94</u>	
		<u>2,03,761.94</u>
	Available surplus as on 31-3-1976:	<u>42,776.79</u>

(b) **Calls (if any) made by the liquidator:**

1. Date of Call	Nil
2. Rate of Call	Nil
3. Total amount realised on Call	Nil

IV. General description and estimated value of the outstandings still to be realised (if any)	Nil
V. Causes which delay the termination of the winding up	Income Tax assessments now completed. Final winding up under process.
VI. Period within which the winding up may probably be concluded	Within next 6 months.
VII. Legal proceedings (if any), instituted, pending or concluded during the period	Nil

Name of court and number of proceeding	Names of parties and their advocates	Nature of proceeding	State of proceeding	Nature of decree or order made, if any	Remarks
--	--------------------------------------	----------------------	---------------------	--	---------

Nil

If any actions or other proceedings are delaying the close of the liquidation, state shortly the nature and probable duration thereof. State also other circumstances tending to delay the winding up of the company, or affecting the realised value of proceedings or the cost of realisation—Presently Nil.

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner
Calcutta
Dated the 2nd April, 1976.

INDIAN OIL INTERNATIONAL LTD.,
N. S. SHIVANANDA
Liquidator
Dated the 2nd April, 1976.

RECONCILIATION OF AMOUNTS AVAILABLE AS AGAINST SHAREHOLDERS EQUITY

SBI, New Delhi, Current A/c 31-3-1976	Rs. P.
Cash with Shri Talwar	44,692.04
	<u>587.80</u>
	Total
	45,279.84
Less: Liability for expenses (2,000 + 350 + 153.05)	<u>2,503.05</u>
Available surplus as on 31-3-1976	<u>42,776.79</u>

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner
Calcutta
Dated the 2nd April, 1976.

INDIAN OIL INTERNATIONAL LTD.,
N. S. SHIVANANDA
Liquidators
Dated the 2nd April, 1976.



(IN LIQUIDATION)

ANNEXURE — II

Liquidator's Trading Account (31-3-1976)

LIQUIDATOR OF THE ABOVE COMPANY IN ACCOUNT WITH THE ESTATE

	Dr.	Rs.	P.		Cr.	Rs.	P.
Receipts		Nil		Payments		Nil	
Date particulars		Nil		Date particulars		Nil	
		<u>Nil</u>				<u>Nil</u>	

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner
Calcutta
Dated the 2nd April, 1976.

INDIAN OIL INTERNATIONAL LTD.,
N. S. SHIVANANDA
Liquidator
Dated the 2nd April, 1976.

ANNEXURE — III

LIST OF DIVIDENDS OR COMPOSITIONS (31-3-1976)

I hereby certify that a dividend (or composition), of Nil Paise in the rupee was declared payable on or after the Nil of Nil 19 Nil and that the creditors whose names are set forth below are entitled to the amounts set opposite their respective names, and have been paid such amounts except in the cases specified as unclaimed,

Dated the 2nd day of April, 1976.

Number on list	Name of creditor	Amount of claim (as admitted)		Amount of dividend or composition		Unclaimed		
		Rs.	P.	Rs.	P.	Rs.	P.	
Nil	Nil	Nil		Nil			Nil	
							Total: Nil	

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner
Calcutta
Dated the 2nd April, 1976.

INDIAN OIL INTERNATIONAL LTD.,
N. S. SHIVANANDA
Liquidator
Dated the 2nd April, 1976.



(IN LIQUIDATION)

ANNEXURE — IV

LIST OF AMOUNTS PAID OR PAYABLE TO CONTRIBUTORIES (31-3-1976)

Name of company: INDIAN OIL INTERNATIONAL LTD. (In liquidation)

I hereby certify that a return of surplus assets was declared payable to contributories on or after the Nil day of Nil Nil 197 Nil at the rate of Nil per share, and that the contributories whose names are set forth below are entitled to the amounts set opposite their respective names, and have been paid such amounts except in the case specified as unclaimed.

Dated the 2nd day of April 1976.

Number on list	Names of contributors	Number of shares	Amount returned on shares			
			Paid		Unclaimed	
			Rs.	P.	Rs.	P.
Nil	Nil	Nil	Nil		Nil	
						Total: Nil

Note : A sum of Rs 2 00 000 is paid on account to the contributories vide Annexure I Page 2 pending final liquidation and decision of the General meeting.

For S. GHOSH & CO:

INDIAN OIL INTERNATIONAL LTD.,

Chartered Accountants

N. S. SHIVANANDA

S GHOSH

Liquidator

Partner

Dated the 2nd April 1976.

Calcutta

Dated the 2nd April 1976.

ANNEXURE — V

Statement of unclaimed dividends and undistributed assets paid into the companies Liquidation Account in the Reserve Bank of India during the period 1-10-1975 to 31-3-1976.

Serial number	Name & address of creditor or contributory	Amount of dividend or undistributed assets payable or refundable	Date when payable or refundable to creditor or contributory	Date of payment into companies Liquidation Account	Remarks
1.	Ratna Oil Stores, Bhaktapur (Nepal)	1,437.30	1-4-1975	26-12-1975	Party has not claimed Hence paid to Researve Bank of India.

For S. GHOSH & CO.

INDIAN OIL INTERNATIONAL ETA.,

Chartered Accountants

N. S. SHIVANANDA

S. GHOSH

Liquidator

Partner

Dated the 2nd April/ 1976.

Calcutta

Dated the 2nd April 1976.



(IN LIQUIDATION)

Index

S. GHOSH & CO.
Chartered Accountants

Bharat Bhawan,
3, Chittaranjan Avenue
(Room No. C-8 & C-9),
CALCUTTA - 700013,

Dated the 23rd October,

1975.

Auditors' Report

on the Statement submitted by Voluntary Liquidator to the Registrar of
Companies under Section 551 of the Companies Act, 1956 as amended

We have audited the Liquidator's Statement of Accounts from 1st April, 1975 to 30th September, 1975 including Annexures 1, 11, 111, IV & V relating to MESSRS. INDIAN OIL INTERNATIONAL LIMITED (IN LIQUIDATION).

We report that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of accounts as required by the Companies Act, 1956 and Companies (Court) Rules, 1959, have been kept by the Liquidator so far as appears from our examination of those books.
3. The Liquidator's Account relating to Realisation and Disbursement is in agreement with the books and records produced before us.
4. in our opinion and to the best of our information and according to the explanations given to us, the Liquidator's Account including Annexure I (excepting item included in 1(a) in so far as they relate to estimate of the Liquidator and items 4, 5, 6 & 7) Annexures 11, 111, IV & V, give the information required by the Companies Act, 1956 and the Companies (Court) Rules, 1959 in the manner so required and give a true and correct view of the realisation and disbursement by the Liquidator.

For S. GHOSH & CO.
Chartered Accountants

S. GHOSH
Partner.



**(IN LIQUIDATION)
LIQUIDATOR'S ACCOUNT**

(To be filled in Duplicate)

1. Name of Company: INDIAN OIL INTERNATIONAL LIMITED
2. Nature of proceeding: Members voluntary winding-up.
3. Date of commencement of winding up: 30-8-1974.
4. Date to which statement is brought down: 30th September, 1975.
5. Name & address of Liquidator: N. S. Shivananda, Indian Oil Corporation Limited, Janpath, New Delhi-I.

LIQUIDATOR'S STATEMENT OF ACCOUNT PURSUANT TO SECTION 551 OF THE COMPANIES ACT, 1956.
LIQUIDATOR'S ACCOUNT FROM 1-4-1975 TO 30-9-1975.

Date	Of whom received & Nature of Assets received	<u>REALISATIONS</u>								<u>DETAILED ACCOUNT OF LIQUIDATOR'S</u>							
		Revenue receipt		SBI Collection A/c.		SBI Current A/c.		Fixed** Deposit A/c.		Revenue receipt		SBI Collection A/c.		SBI Current A/c.		Fixed** Deposit A/c.	
		Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.		
1- 4 1975	Balance			8,157.66		59,852.65							1,75,000.00(C)				
3- 4 1975	Fixed Deposit uncashed with interest							1,75,000.00				5,250.00					
22- 4-1975	Fixed Deposit with SBI for 6 months															2,00,000.00 (C)	
24-4-1975	Indian Oil Corporation ER does realised											1,596.61					
30-9-1975	SBI Calcutta—interest due on Fixed Deposit	5,278	.69														
	(Rs. 6,000 interest is due on this Fixed Deposit for the period 22-4 -75 to 22-10-75. Rs. 5,278.69 represents interest for the period 22-4-1975 to 30-9-1975)																
	Total carried down			5,278.69		8,157.66		2,41,699.26					3,75,000				

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner
Calcutta
Dated the 23rd October, 1975.



**(IN LIQUIDATION)
LIQUIDATOR'S ACCOUNT**

(To be filed in Duplicate)

1. Name of Company: INDIAN OIL INTERNATIONAL LIMITED
2. Nature of proceeding: Members voluntary winding-up.
3. Date of commencement of winding up: 30-8-1974.
4. Date to which statement is brought down: 30th September, 1975.
5. Name & address of Liquidator: N. S. Shivananda, Indian Oil Corporation Limited, Janpath, New Delhi-I.

EXHIBIT "A"

This is the Exhibit marked "A" referred to in the affidavit of.....solemnly affirmed before me this..... dayof
COMMISSIONER

REALISATION AND DISBURSEMENTS

Date	To whom paid/against which A/c. & nature of Disbursement	DISBURSEMENTS							
		Revenue disbursement		SBI collection A/c.		SBI Current A/c.		Fixed Deposit Account	
		Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.
3-4-1975	SBI Current Account								1,75,000.00 (C)
9 1 1975	Transferred to IOC Collection A/c.			8,157.66					
	Expenses of filing of returns	118.00							
	Travelling Expenses	2,308	.15						
	Stationery	4	.25						
	Entertainment Expenses	55.95							
	Audit Fee 1/4 to 30/9	350.00							
22-4-1975	Fixed Deposit for 6 months					2,00,000.00(C)			
,,	N. S. Shivananda Travelling Advance					1,000.00			
26-4-1975	Audit Fee 74/75					750.00			
3-4-1975	Himalayan Pet. Co., Pokhara					4,000.00			
5-8-1975	N. S. Shivananda Travelling Advance					200.00			
6 8-1975	Kuber & Co., Kathmandu					179.66			
5-9-1975	N. S. Shivananda Travelling Advance					1,500.00			
24 9-1975	Reserve Bank of India unclaimed Balance of customers account					1,818 81			
		<u>2,836.35</u>		<u>8,157.66</u>		<u>209,448.47</u>			<u>1,75,000.00</u>

INDIAN OIL INTERNATIONAL LTD.
N. S. SHIVANANDA
Liquidator
Dated the 23rd October, 1975.



**(IN LIQUIDATION)
ANALYSIS OF BALANCE AS ON 30-9-1975**

	Revenue		SBI Collection Account		SBI Current Account		Fixed Deposit		Total		Add cash in the hands of Liquidator and Shri Talwar		Grand Total	
	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.
Total realisation	5,278.69		8,157.66		2,41,699.26		3,75,000.00		6,30,135.61					
Total disbursements	2,836.35		8,157.66		2,09,448.47		1,75,000.00		3,95,442.48					
	2,442.34*		—		32,250.79**		2,00,000.00		2,34,693.13		1,119		2,35,812.38	

NOTES:—

- 1: Statement has been prepared in a detailed manner so as to reflect realization and disbursements through various sources. These details have been duly verified with the Ledger balance as on 30-9-1975.
2. Of Rs. 2,700 paid to Shri N. S. Shivananda as Travelling advance (1,000 + 200 + 1,500), Rs. 2,308.15 has been adjusted as on 30-9-1975.
3. Revenue receipts and disbursements are in the nature of income & Expenditure account.
4. In furnishing this statement it is ensured that double entry principles have been followed and the figures given above have been cross-checked with trial balance as on 30-9-1975.
- 5.* Represents Rs. 2,442.34 excess of receipt over expenditure credited to the balance in General Reserve.
- 6.** Represents Rs. 2,00,000 Fixed Deposit with State Bank of India, Chowringhee No. D 599676 dated 22-10-1975 due on
- 7.t Represents Rs. 727.40 due from Shri Talwar, Secretary as on 30-9-1975. This amount is being held by him to meet day to day expenses at Delhi since the Company's current is maintained at Calcutta. Rs. 391.85 is in the hands of Liquidator to meet travelling expenses as on 30-9-1975. These amounts together account for Rs. 1,119.25 shown above.
- 8.(A) The above balance is arrived at after adjusting a cheque for Rs. 1,437.30 (No. 281028) issued on 31-3-1975 in favour of Messrs. Ratna Oil Stores. This cheque has not been presented for payment till 30-9-1975.

*Note: Here state whether it is winding-up under supervision of court or members' or creditors' voluntary winding up. If it is a winding-up under the supervision of the court, the number of the petition or other proceeding in which the order of the order should also be given.

**Note: Full details of investments made and realization thereof have been shown separately.

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner
Calcutta
Dated the 23rd October, 1975.

INDIAN OIL INTERNATIONAL LTD.,
N. S. SHIVANANDA
Liquidator
Dated the 23rd October, 1975.



**(IN LIQUIDATION)
ANNEXURE TO THE ACCOUNT—I
STATEMENT OF ACCOUNT**

Statement as to the position of the liquidation as on 30th September, 1975 (the date to which the statement is brought Town)

		Amount in Rs.
1. ASSETS:		
a) Assets not specifically pledged:		
Total amount of the estimated assets at the date of the commencement of the winding up		5,39,088 14
Less: Assets realised till 30-9-1975		<u>5,37,088 14</u>
		* 2,080 00
Estimated value of Assets still to be realized (Rs. 2,000 SBI suspense)		

(b) Assets specifically pledged:

	Book value Rs. P.	Value realised Rs. P.	Due to secured creditors Rs. P.	Surplus (a+) or Deficiency (—) Rs. P.
1. Immovable property	Nil	Nil	Nil	Nil
2. Goods not in possession	Nil	Nil	Nil	Nil
3. Goods in possession	Nil	Nil	Nil	Nil
4. Other property	Nil	Nil	Nil	Nil
Surplus or deficiency from Assets specifically pledged	Nil	Nil	Nil	<u>Nil</u> <u>Nil</u>

II. LIABILITIES:

	Rs. P.	Total amount due Rs. P.	Amount paid Rs. P.	Amount outstanding Rs. P.	Remarks
1. Secured creditors		Nil	Nil	Nil	
2. Preferential creditors		Nil	Nil	Nil	
3. Debenture holders secured by a floating charge		Nil	Nil	Nil	
4. Unsecured Creditors:					
Indian Oil Corpn Ltd., Calcutta		8,234.11	8,234 11	Nil	
Liabilities for expenses:					
Add: Audit fee 1-4-1975 to 30-9-1975	929.66				
	<u>350.00</u>				
		1,279. 66	929 .66	350 .00	
Other Liabilities:					
Payable to dealers having credit balance		5,818.81	5,818.81	Nil	
Indian Income Tax 1973-74		7,615.00	—	7,615.00	
		<u>22,947.58</u>	<u>14,982.58</u>	<u>7,965.00</u>	

* Rs. 2,000 has been short credited by State Bank of India. The matter is being vigorously followed up with State Bank of India, Jaynagar Calcutta. The case is outstanding for the last four years and is likely to be settled before 31-3-1976. The Liquidator has informed the State Bank of his intention to take legal action if the amount is not credited at the earliest.

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner
Calcutta

Dated the 23rd October, 1975.

INDIAN OIL INTERNATIONAL LID.,
N. S. SHIVANANDA
Liquidator
Dated the 23rd October , 1975.



**(IN LIQUIDATION)
ANNEXURE TO THE ACCOUNT—I—Contd.**

III. TOTAL AMOUNT OF CAPITAL PAID UP AT THE DATE OF COMMENCEMENT OF WINDING UP:

		As on 30-9-1975 Rs. P.			
(a) Shareholders' Equity:					
Paid-up capital		1,00,000.00			
Issued as paid otherwise than in cash		<u>Nil</u>			
		1,00,000.00			
General Reserve	89,819 .85				
Add: Excess of receipt over expenditure	<u>2,442 .34</u>	92,262.19			
Depreciation Reserve		<u>40,421.54</u>			
		<u>2,32,683.73</u>			
(6) Calls (if any) made by the Liquidator:					
1. Date of call	Nil				
2. Rate of call	Nil				
3. Total amount realised on call	Nil				
IV. General description and estimated value of the outstandings still to be realized (if any)		Nil			
V. Causes which delay the termination of the winding up		* 1. T. assessments 1972-73, 1973-74 are still to be finalised by I.T.O			
VI. Period within which the winding up may probably be concluded		31-3-1976			
VII. Legal proceedings (if any), instituted, pending or concluded during the period		Nil			
Name of court and number of proceeding	Names of parties and their advocates	Nature of proceeding	State of proceeding	Nature of decree or order made, if any	Remarks

————— N I L —————

If any actions or other proceedings are delaying the close of the liquidation, state shortly the nature and probable duration thereof State also other circumstances tending to delay the winding up of the company, or affecting the realised value of property or the cost of realization.

* There is contingent liability with regard to pending income Tax assessments relevant to accounting Years 1972-73 & 1973-74.

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner
Calcutta
Dated the 23rd October, 1975.

INDIAN OIL INTERNATIONAL LTD.,
N. S. SHIVANANDA
Liquidator
Dated the 23rd October, 1975.



**(IN LIQUIDATION)
RECONCILIATION OF AMOUNTS AVAILABLE AS AGAINST
SHAREHOLDERS EQUITY**

Index

	Rs. P.
SBI, Calcutta, Current A/c.—30-9-1975	32,250.79
Fixed Deposit	2,00,000.00
Interest receivable from SBI	<u>5,278.69</u>
Total	2,37,529.48
Less: Due to shareholders as per statement (1,00,000.00 + 92,202.13 + 40,421.54)	<u>2,32,683.73</u>
	4,845.75
Add: (i) To be realised from SBI suspense	2,000.00
(ii) Cash in hand with Shri Talwar	727.40
(iii) Cash in hand with Shri N. S. Shivananda	<u>391.85</u>
	<u><u>7,965.00</u></u>
 <i>This is Represented by:</i>	
Audit Fee	350.00
Indian income Tax 1973-74	<u>7,615.00</u>
	<u><u>7,965.00</u></u>

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner
Calcutta
Dated the 23rd October, 1975.

INDIAN OIL INTERNATIONAL LTD.,
N. S. SHIVANANDA
Liquidator
Dated the 23rd October, 1975.

LIQUIDATOR'S TRADING ACCOUNT (30-9-1975)
Liquidator of the above Company in account with the Estate

	Dr.	Rs. P.		Cr.	Rs. P.
Receipts		Nil	Payments		Nil
Date Particulars		<u>Nil</u>	Date Particulars		<u>Nil</u>
		<u><u>Nil</u></u>			<u><u>Nil</u></u>

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner
Calcutta
Dated the 23rd October, 1975.

INDIAN OIL INTERNATIONAL LTD
N. S. SHIVANANDA
Liquidator
Dated the 23rd October, 1975.



**(IN LIQUIDATION)
ANNEXURE—III
LIST OF DIVIDENDS OR COMPOSITION**

I hereby certify that a dividend (or composition), of Nil..... Paise in the rupee was declared payable on or after the.....Nil.....of.....Nil.....19.....Nil.....and that the creditors whose names are set forth below are entitled to the amounts set opposite their respective names, and have been paid such amounts except in the cases specified as unclaimed.

Dated the 23rd day of October, 1975.

N. S. SHIVANANDA
Liquidator

No on List	Name of Creditor	Amount of claim (as admitted) <u>Rs. P.</u>	Amount of dividend or composition	
			<u>Paid</u> Rs. P.	<u>Unpaid</u> Rs. P.
Nil	Nil	Nil	Nil	Nil
			Total: Nil	

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner
Calcutta
Dated the 23rd October 1975.

INDIAN OIL INTERNATIONAL LTD.,
N. S. SHIVANANDA
Liquidator.
Dated the 23rd October, 1975.

ANNEXURE IV

LIST OF AMOUNTS PAID OR PAYABLE TO CONTRIBUTORIES

Name of Company: INDIAN OIL INTERNATIONAL LIMITED (in liquidation)

I hereby certify that a return of surplus assets was declared payable to contributories on or after the..... Nil day of Nil..... Nil..... 19..... Nil..... at the rate of Nil..... per share, and that the contributories whose names are not forth below are entitled to the amounts set opposite their respective names, and have been paid such amounts except in the case specified as unclaimed.

Dated the 23rd day of October 1975.

N. S. SHIVANANDA
Liquidator

No on List	Name of contributors	No. of shares	Amount returned on shares	
			<u>Paid</u> Rs. P.	<u>Unclaimed</u> Rs. P.
Nil	Nil	Nil	Nil	Nil
			Total: Nil	

For S. GHOSH & CO.
Chartered Accountants
S. GHOSH
Partner
Calcutta
Dated the 23rd October 1975.

INDIAN OIL INTERNATIONAL LTD.,
N. S. SHIVANANDA
Liquidators.
Dated the 23rd October 1975.



**(IN LIQUIDATION)
ANNEXURE—V**

Statement of unclaimed dividends and undistributed assets paid into the companies Liquidation Account in the Reserve Bank of India during the period 1-4-1975 to 30-9-1975.

Serial number	Name & address of creditor or contributory	Amount of dividend or undistributed assets payable or refundable Rs. P.	Date when payable or refundable to creditor or contributory	Date of payment into companies Liquidation Account	Remarks
1.	Dinesh Prasad & Bros Bharatpur (Nepal)	1,437.30	1-4-1975	25-9-1975	Party has not claimed amounts
2.	Janak Oil Stores. Janakpurdham (Nepal)	224.43	1-4-1975	25-9-1975	—do—
3.	Export Drive, Bhairwa (Nepal)	157.08	1-4-1975	25-9-1975	—do—
		1,818.81			

For S. GHOSH & CO.
Chartered Accountants.
S. GHOSH
Partner
Calcutta
Dated the 23rd October 1975.

INDIAN OIL INTERNATIONAL LTD.,
N. S. SHIVANANDA
Liquidator
Dated the 23rd October, 1975.



INDIAN OIL BLENDING LIMITED

(A Wholly Owned Subsidiary of Indian Oil Corporation Limited)

ANNUAL REPORT FOR THE YEAR 1975-76



BOARD OF DIRECTORS

S. B. BUDHIRAJA	: <i>Chairman</i>
R. GURUMOORTHY	: <i>Managing Director</i>
K. L. GOEL	: <i>Financial Director</i>
Dr. J. S. AHLUWALIA	: <i>Director</i>

SECRETARY

J. K. WADHWA

BANKERS

STATE BANK OF INDIA
FIRST NATIONAL CITY BANK

AUDITORS

RATAN S. MAMA & CO.,
Chartered Accountants,
2-C, VULCAN INSURANCE BUILDING,
77, VEER NARIMAN ROAD,
CHURCHGATE, BOMBAY 400020.

REGISTERED OFFICE

PIR PAU, TROMBAY,
BOMBAY 400074.

PLANTS

BOMBAY & CALCUTTA



NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Shareholders of INDIAN OIL BLENDING LIMITED will be held at the Office of the Indian Oil Corporation Limited, situated at 254-C, Dr. Annie Besant Road, Prabhadevi, Bombay 400025, at 11-00 hours on Monday the 30th August, 1976,* to transact the following business :-

SPECIAL BUSINESS:

1. To pass the following resolution as a Special Resolution :

SPECIAL RESOLUTION

“RESOLVED that the Profit & Loss Accounts for the years ended 31-3-1968, 31-3-1968, 31-3-1970 and 31-3-1971, along with Schedules ‘A’, ‘A’, ‘1’ and ‘1’, which were laid before and adopted by the members at the 5th, 6th, 7th and 8th Annual General Meetings of the Company held on 6-8-1968, 2-9-1969, 25-8-1970 and 18-5-1971, respectively, be amended as mentioned in the Statement of Amendments annexed hereto dated 21-7-1976, signed by the Company’s Directors on 21-7-1976 and the Auditors on 21-7-1976 and that the same be and are hereby approved and adopted.”

2. To pass the following resolution as a Special Resolution :

SPECIAL RESOLUTION

“RESOLVED FURTHER that Schedules ‘1’, ‘2’, ‘2’ and ‘II’ forming part of the Balance Sheets as at 31-3-1972, 31-3-1973, 31-3-1974 and 31-3-1975, respectively, which were laid before and adopted by the members at the 9th, 10th, 11th and 12th Annual General Meetings of the Company held on 31-7-1972, 19-7-1973, 25-9-1974 and 20-9-1975, respectively, signed by the Company’s Directors on 30-6-1972, 27-6-1973, 18-9-1974 and 30-8-1975 and by the Auditors on 30-6-1972, 27-6-1973, 20-9-1974 and 30-8-1975, respectively, be amended as mentioned in the Statement of Amendments annexed hereto and that the same be and are hereby approved and adopted.”

3. To pass the following resolution as a Special Resolution:

SPECIAL RESOLUTION

“RESOLVED ALSO that the Profit & Loss Accounts and the Schedules forming part of the Balance Sheets as mentioned above shall be deemed always to have been, as if amendments hereinbefore mentioned had been incorporated therein and formed part thereof, respectively.”



ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet, Profit & Loss Account, Reports of the Auditors and Directors thereon for the Financial Year ended 31st March, 1976;
2. To declare a dividend;
3. To appoint Chairman in place of Shri S. B. Budhiraja, who retires at the conclusion of the Annual General Meeting, and is eligible for re-appointment;
4. To appoint Financial Director in place of Shri K. L. Goel, who retires at the conclusion of the Annual General Meeting, and is eligible for re-appointment;
5. To appoint Director in place of Dr. J. S. Ahluwalia, who retires at the conclusion of the Annual General Meeting, and is eligible for re-appointment.

By Order of the Board,
J.K. WADHWA
Secretary.

- Notes:*
1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself. A Proxy need not be a member.
 2. The relevant explanatory statement pursuant to Section 173 of the Companies Act, 1956, concerning the Special Business is annexed hereto.

To :

ALL MEMBERS OF IOBL.

cc : Messrs. Ratan S. Mama & Co., Chartered Accountants, Bombay.

cc : Chairman, IOBL.

BOMBAY,

Dated : The 5th day of August, 1976.

*Note : The above meeting was adjourned and was held on Monday, the 6th September, 1976, at 11-00 hours at 254-C, Dr. Annie Besant Road, Prabhadevi, Bombay 400 025, pursuant to the provisions of Section 174(4) of the Companies Act, 1956.



ANNEXURE TO NOTICE

**Explanatory Statement as required by Section 173
of the Companies Act, 1956.**

Pursuant to Section 173 of the Companies Act, 1956, the following explanatory statement sets out all material facts relating to the Special Business mentioned in the accompanying NOTICE dated the 5th August, 1976.

2. During 1971, a Circular was issued by the Central Board of Direct Taxes clarifying the scope of the term "Mineral Oil," according to which the Company fell within the purview of Priority Industry and, as such, became entitled to claim development rebate at a higher rate applicable to Priority Industries. From the years ended 31-3-1972 onwards, the Company has created adequate reserves for development rebate as applicable to Priority Industry. However, for the prior years ended 31-3-1968 to 31-3-1971, adequate reserves as applicable to Priority Industry were not created in the books, as required under Section 34(3)(a) of the Income-tax Act, 1961. For the years ended 31-3-1968, 1969, 1970 and 1971, there is a short provision of Rs. 3,35,000 Rs. 55,000 ; Rs. 25,000 and Rs. 45,000, respectively, totalling Rs. 4,60,000. An amount of Rs. 3,35,000 is proposed to be offset from the excess provision for the year ended 31-3-1965 available in the books, since during that year, the Company had charged to Profit & Loss Account 100 per cent of the development rebate reserve. The Company, therefore, has to make additional provision on account of development rebate to the extent of Rs. 1,25,000, as per the table given below :-

<i>Financial Year ended on</i>	<i>Addnl. Dev. Rebate to be provided</i>	<i>Excess provision of earlier years reversed</i>	<i>Net effect</i>
	<i>Rs.</i>	<i>Rs.</i>	<i>Rs.</i>
31-3-1968	3,35,000	3,35,000	Nil
31-3-1969	55,000	Nil	55,000
31-3-1970	25,000	Nil	25,000
31-3-1971	45,000	Nil	45,000
			1,25,000

3. We have been advised by the Income-tax Consultants to amend the accounts beginning from the financial year ended 31-3-1968 to 31-3-1975 suitably, so as to make adequate provision for development rebate reserve. As such, the accounts for the said years have been amended suitably. The amended Profit & Loss Accounts with the Schedules on Reserves & Surplus for the financial years ended 31-3-1968, 1969, 1970 and 1971 as also Schedules on Reserves & Surplus for the financial years ended 31-3-1972, 1973, 1974 and 1975 are attached herewith. A statement showing the original figures as also the amended figures under various heads of accounts from the year ended 31-3-1968 to 31-3-1975 is also enclosed as Annexure I.

4. The Board of Directors of IOBL at their meeting held on 21st July, 1976 have approved the aforesaid amendments, as duly verified by the Auditors, in the accounts for the prior years, subject to the approval of the Shareholders in the General Meeting.

Enclosure.



INDIAN OIL BLENDING LIMITED

RATAN S. MAMA & Co.

Chartered Accountants.

Contents

Index

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We refer to the Report of the Auditors dated 11th June, 1968 on the Balance Sheet of Indian Oil Blending Limited as at 31st March, 1968 and the relative Profit and Loss Account of the Company for the year ended on that date as adopted by the Company in its Annual General Meeting held on 6th August, 1968.

We confirm that we have verified the amendments to those Accounts as detailed in the Board Resolution dated 21st July, 1976 with those stated above.

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

N. B. DARUVALA
Partner (F. 6271)
21st July, 1976



INDIAN OIL BLENDING LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
31ST MARCH, 1968 (as amended)

Contents

Index

	Rs.	Rs.	Previous Year Rs.
Throughput, Blending & Manufacturing Charges	67,19,037		52,78,069
Interest Income	4,088		10,432
Other Income	24,000		24,857
Total Income		67,47,125	53,13,358
Operating Expenses (Schedule 'E')	21,32,955		15,37,378
Interest	3,68,457		6,09,309
Loss on sale and/or theft of assets	44,510		1,17,934
Bad Debts	2,650		—
Depreciation (Schedule 'B')	10,07,054		7,78,676
Development Rebate	7,59,211		42,338
		43,14,837	—
Operating Profit		24,32,288	22,27,723
Excess Provision written back	7,163		65,097
Excess Development Rebate Reserve written back	3,35,000		—
Refund of Municipal Tax	7,365		—
		3,49,528	—
Profit before Taxes		27,81,816	22,92,820
Deficit (Loss) brought forward		11,16,729	34,09,549
Profit subject to Taxes		16,65,087	(11,16,729)
Provision for taxes		7,20,000	—
Profit available for distribution		9,45,087	(11,16,729)
Transfer to General Reserve		9,45,087	—
Balance carried forward		Nil	(11,16,729)

The foregoing Profit and Loss Account, as amended, is hereby authenticated by us.

As per our Report of even date

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountant .

S. B. BUDHIRAJA	R. GURUMOORTHY	K. L. GOEL	J. K. WADHWA	N.B. DARUVALA
<i>Chairman</i>	<i>Managing Director</i>	<i>Financial Director</i>	<i>Secretary</i>	<i>Partner (F. 6271)</i>
21st July, 1976.				21st July, 1976.



INDIAN OIL BLENDING LIMITED

SCHEDULE 'A' (as amended)

Contents

Index

	As at 31st March, 1968 Rs.	Previous Year Rs.
SHARE CAPITAL:		
Authorised:		
8,000 Equity Shares of Rs. 500 each	40,00,000	40,00,000
Issued, Subscribed & Paid-up		
8,000 Equity Shares of Rs. 500 each	40,00,000	40,00,000
	<u>40,00,000</u>	<u>40,00,000</u>
RESERVES & SURPLUS:		
Development Rebate Reserve :		
Balance from last Balance Sheet	13,46,712	13,69,471
Less: Amount written back	3,35,000	65,097
	<u>10,11,712</u>	<u>13,04,374</u>
Add: Provision this year	7,59,211	42,338
	17,70,923	<u>13,46,712</u>
GENERAL RESERVE:		
Balance brought forward	—	—
Add: This year	9,45,087	—
	<u>9,45,087</u>	—
Less: Dividend paid for the year ended 31-3-1967	—	—
	9,45,087	—
PROFIT & LOSS ACCOUNT:		
Balance as per Profit & Loss Account	—	(11,16,729)
	27,16,010	<u>2,29,983</u>

See Schedule 'F' for relevant notes, if any.

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

S. B. BUDHIRAJA R. GURUMOORTHY K. L. GOEL J. K. WADHWA N. B. DARUVALA
Chairman Managing Director Financial Director Secretary Partner (F. 6271)

Bombay: Dated the 21st July, 1976.

21st July, 1976



INDIAN OIL BLENDING LIMITED

RATAN S. MAMA & Co.,
Chartered Accountants.

Contents

Index

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We refer to the Report of the Auditors dated 30th July, 1969 on the Balance Sheet of Indian Oil Blending Limited as at 31st March, 1969 and the relative Profit and Loss Account of the Company for the year ended on that date as adopted by the Company in its Annual General Meeting held on 2nd September, 1969.

We confirm that we have verified the amendments to those Accounts as detailed in the Board Resolution dated 21st July, 1976 with those stated above.

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

N. B. DARUVALA
Partner (F. 6271)
21st July, 1976.



INDIAN OIL BLENDING LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
MARCH 31ST 1969 (as amended)

Contents

Index

	Rs.	Rs.	<i>Previous Year</i>
			<i>Rs.</i>
Throughput, Blending & Manufacturing Charges	67,51,670		67,19,037
Interest Income	793		4,088
Other Income	28,332		24,000
Gain on Exchange	9,754		—
	<hr/>		<hr/>
Total Income		67,90,549	67,47,125
Operating Expenses (Schedule 'E')	25,40,739		21,32,955
Interest	1,38,886		3,68,457
Loss on Sale/Scrap of Assets	33,189		44,510
Bad Debts	—		2,650
Cost of pipeline diversion written off	96,937		—
Depreciation (Schedule 'B')	10,05,082		10,07,054
Development Rebate	1,27,077		7,59,211
Provision for staff gratuity	22,862		—
	<hr/>	39,64,772	<hr/>
Operating Profit		28,25,777	24,32,288
Excess Provision written back	2,164		7,163
Excess Development Rebate Reserve written back	—		3,35,000
Refund of Municipal Tax	—		7,365
	<hr/>	2,164	<hr/>
Profit before Taxes		28,27,941	27,81,816
Deficit (Loss) brought forward		—	11,16,729
		<hr/>	<hr/>
Profit subject to Taxes		28,27,941	16,65,087
Provision for Taxes		15,09,000	7,20,000
		<hr/>	<hr/>
Profit available for distribution		13,18,941	9,45,087
Transfer to General Reserve		13,16,913	9,45,087
		<hr/>	<hr/>
		2,028	<i>Nil</i>
		<hr/> <hr/>	<hr/> <hr/>

The foregoing Profit and Loss Account, as amended, is hereby authenticated by us.

As per our Report of even date.

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

<p>S. B. BUDHIRAJA <i>Chairman</i> 21st July, 1976.</p>	<p>R. GURUMOORTHY <i>Managing Director</i></p>	<p>K. L. GOEL <i>Financial Director</i></p>	<p>J. K. WADHWA <i>Secretary</i></p>	<p>N. B. DARUVALA <i>Partner (F. 6271)</i> 21st July, 1976.</p>
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INDIAN OIL BLENDING LIMITED

SCHEDULE 'A' (as amended)

Contents

Index

	As at 31st March, 1969 Rs.	Previous Year Rs.
SHARE CAPITAL:		
Authorised:		
8,000 Equity Shares of Rs. 500 each	40,00,000	40,00,000
Issued, Subscribed & Paid-up		
8,000 Equity Shares of Rs. 500 each	40,00,000	40,00,000
	40,00,000	40,00,000
RESERVES & SURPLUS:		
Development Rebate Reserve :		
Balance from last Balance Sheet	17,70,923	13,46,712
Less: Amount written back	—	3,35,000
	17,70,923	10,11,712
Add: Provision this year	1,27,077	7,59,211
	18,98,000	17,70,923
GENERAL RESERVE:		
Balance brought forward	9,45,087	—
Add: This year	13,16,913	9,45,087
	22,62,000	9,45,087
Less: Dividend paid for the year ended 31-3-1968	8,00,000	—
	14,62,000	9,45,087
SURPLUS:		
As per Profit & Loss Account	2,028	—
	33,62,028	27,16,010

See Schedule 'F' for relevant notes, if any.

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

S. B. BUDHIRAJA	R. GURUMOORTHY	K. L. GOEL	J. K. WADHWA	N. B. DARUVALA
<i>Chairman</i>	<i>Managing Director</i>	<i>Financial Director</i>	<i>Secretary</i>	<i>Partner (F. 6271)</i>
21st July, 1976.				21st July, 1976



INDIAN OIL BLENDING LIMITED

RATAN S. MAMA & Co.,
Chartered Accountants.

Contents

Index

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We refer to the Report of the Auditors dated 9th June, 1970 on the Balance Sheet of Indian Oil Blending Limited as at 31st March, 1970 and the relative Profit and Loss Account of the Company for the year ended on that date as adopted by the Company in its Annual General Meeting held on 25th August, 1970.

We confirm that we have verified the amendments to those Accounts as detailed in the Board Resolution dated 21st July, 1976 with those stated above.

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

N. B. DARUVALA
Partner (F. 6271)
21st July, 1976.



INDIAN OIL BLENDING LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
MARCH 31ST, 1970 (as amended)

Contents

Index

	Rs.	Rs.	<i>Previous Year</i>
			Rs.
Throughput, Blending & Manufacturing Charges	69,47,785		67,51,670
Interest Income	181		793
Other Income	31,954		28,332
Gain on Exchange	—		9,754
	<hr/>		<hr/>
Total Income		69,79,920	67,90,549
Operating Expenses (Schedule '5')	32,12,130		25,40,739
Interest	1,00,537		1,38,886
Loss on Sale/Scrap of Assets	28,307		33,189
Cost of pipeline diversion written off	—		96,937
Depreciation (Schedule '3')	8,51,548		10,05,082
Development Rebate	56,300		1,27,077
Provision for staff gratuity	1,03,376		22,862
	<hr/>	43,52,198	<hr/>
Operating Profit		26,27,722	28,25,777
Excess Provision written back	3,378		2,164
Excess Development Rebate Reserve written back	63,700		—
	<hr/>	67,078	<hr/>
Profit before Taxes		26,94,800	28,27,941
Provision for Taxes		17,10,000	15,07,000
		<hr/>	<hr/>
Profit after Taxes		9,84,800	13,18,941
Add: Balance brought forward		2,028	—
		<hr/>	<hr/>
Profit available for distribution		9,86,828	13,18,941
Transfer to General Reserve		9,85,000	13,16,913
		<hr/>	<hr/>
Balance carried to Balance Sheet		1,828	2,028
		<hr/> <hr/>	<hr/> <hr/>

The foregoing Profit and Loss Account, as amended, is hereby authenticated by us.

As per our Report of even date.

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

S. B. BUDHIRAJA	R. GURUMOORTHY	K. L. GOEL	J. K. WADHWA	N. B. DARUVALA
<i>Chairman</i>	<i>Managing Director</i>	<i>Financial Director</i>	<i>Secretary</i>	<i>Partner (F. 6271)</i>
21st July, 1976.				21st July, 1976.



INDIAN OIL BLENDING LIMITED

SCHEDULE '1' (as amended)

Contents

Index

	As at 31st March, 1970 Rs.	Previous Year Rs.
SHARE CAPITAL:		
Authorised:		
8,000 Equity Shares of Rs. 500 each	<u>40,00,000</u>	<u>40,00,000</u>
Issued, Subscribed & Paid-up		
8,000 Equity Shares of Rs. 500 each	<u>40,00,000</u>	<u>40,00,000</u>
RESERVES & SURPLUS:		
Development Rebate Reserve :		
Balance from last Balance Sheet	18,98,000	17,70,923
Less: Amount written back	<u>63,700</u>	<u>—</u>
	18,34,300	17,70,923
<i>Add:</i> Provision this year	<u>56,300</u>	<u>1,27,077</u>
	18,90,600	18,98,000
GENERAL RESERVE:		
Balance brought forward	14,62,000	9,45,087
<i>Add:</i> This year	<u>9,85,000</u>	<u>13,16,913</u>
	24,47,000	22,62,000
Less: Dividend paid for the year ended 31-3-1969	<u>8,00,000</u>	<u>8,00,000</u>
	16,47,000	14,62,000
SURPLUS :		
as per Profit & Loss Account	<u>1,828</u>	<u>2,028</u>
	<u>35,39,428</u>	<u>33,62,028</u>

For notes forming part of the accounts refer Schedule '6'

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

S. B. BUDHIRAJA R. GURUMOORTHY K. L. GOEL J. K. WADHWA N. B. DARUVALA
Chairman Managing Director Financial Director Secretary Partner (F. 6271)

Bombay: Dated the 21st July, 1976.

21st July, 1976



INDIAN OIL BLENDING LIMITED

RATAN S. MAMA & Co.,
Chartered Accountants.

Contents

Index

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We refer to the Report of the Auditors dated 4th May, 1971 on the Balance Sheet of Indian Oil Blending Limited as at 31st March, 1971 and the relative Profit and Loss Account of the Company for the year ended on that date as adopted by the Company in its Annual General Meeting held on 18th May, 1971.

We confirm that we have verified the amendments to those Accounts as detailed in the Board Resolution dated 21st July, 1976 with those stated above.

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

N. B. DARUVALA
Partner (F. 6271)
21st July, 1976.



INDIAN OIL BLENDING LIMITED

PROFIT & LOSS ACCOUNT FOR THE
YEAR ENDED MARCH 31ST, 1970 (as amended)

Contents

Index

	Rs.	Rs.	<i>Previous Year</i>
			Rs.
Throughput, Blending & Manufacturing Charges	78,28,840		69,47,785
Interest Income	630		181
Other Income	33,222		31,954
Total Income	<u>78,62,692</u>	78,62,692	<u>69,79,920</u>
Operating Expenses (Schedule '5')	39,96,874		32,12,130
Interest	78,599		1,00,537
Loss on Sale/Scrap of Assets	34,671		28,307
Depreciation (Schedule '3')	88,75,910		8,51,548
Development Rebate	1,13,900		56,300
Provision for staff gratuity	60,902		1,03,376
		<u>51,60,856</u>	
Operating Profit		27,01,836	<u>26,27,722</u>
Excess Provision written back	1,596		3,378
Excess Development Rebate Reserve written back	—		63700
		<u>1,596</u>	
Profit subject to Taxes		27,03,432	<u>26,94,800</u>
Provision for Taxes		16,90,000	<u>17,10,000</u>
Profit after Taxes		10,13,432	<u>9,84,800</u>
Add: Balance brought forward		1,828	<u>2,028</u>
Profit available for distribution		10,15,260	9,86,828
Transfer to General Reserve		10,15,000	9,85,000
Balance carried to Balance Sheet		<u><u>260</u></u>	<u><u>1,828</u></u>

The foregoing Profit and Loss Account, as amended, is hereby authenticated by us.

As per our Report of even date.

For and on behalf of

RATAN S. MAMA & CO.,

Chartered Accountants.

S. B. BUDHIRAJA R. GURUMOORTHY K. L. GOEL J.K. WADHWA N. B. DARUVALA
Chairman Managing Director's Financial Director Secretary Partner (F. 6271)

Bombay: Dated the 21st July, 1976.

21st July, 1976



INDIAN OIL BLENDING LIMITED

SCHEDULE '1' (as amended)

Contents

Index

	Rs.	As at 31st March, 1971 Rs.	Previous Year Rs.
SHARE CAPITAL :			
Authorised:			
8,000 Equity Shares of Rs. 500 each		<u>40,00,000</u>	<u>40,00,000</u>
Issued, Subscribed & Paid-up :			
8,000 Equity Shares of Rs. 500 each		<u>40,00,000</u>	<u>40,00,000</u>
RESERVES & SURPLUS:			
Development Rebate Reserve :			
Balance from last Balance Sheet	18,90,600		18,98,000
Less: Amount written back	—		63,700
	<u>18,90,600</u>		<u>18,34,300</u>
Add: Provision this year	1,13,900		56,300
Transferred from General Reserve	63,500		—
		20,68,000	18,90,600
GENERAL RESERVE:			
Balance brought forward	16,47,000		14,62,000
Add: This year	10,15,000		9,85,000
	26,62,000		24,47,000
Less: Dividend paid for the year ended 31-3-1970	8,00,000		8,00,000
Transferred to Development rebate Reserve	<u>63,500</u>		—
		17,98,500	16,47,000
SURPLUS:			
As per Profit & Loss Account		260	1,828
		<u>38,66,760</u>	<u>35,39,428</u>

For notes forming part of the accounts refer Schedule '6'

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

S. B. BUDHIRAJA	R. GURUMOORTHY	K. L. GOEL	J. K. WADHWA	N. B. DARUVALA
<i>Chairman</i>	<i>Managing Director</i>	<i>Financial Director</i>	<i>Secretary</i>	<i>Partner (F. 6271)</i>
21st July, 1976.				21st July, 1976



INDIAN OIL BLENDING LIMITED

RATAN S. MAMA & Co.,
Chartered Accountants.

Contents

Index

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We refer to the Report of the Auditors dated 30th June, 1972 on the Balance Sheet of Indian Oil Blending Limited as at 31st March, 1972 and the relative Profit and Loss Account of the Company for the year ended on that date as adopted by the Company in its Annual General Meeting held on 31st July, 1972.

We confirm that we have verified the amendments to those Accounts as detailed in the Board Resolution dated 21st July, 1976 with those stated above.

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

N. B. DARUVALA
Partner (F. 6271)
21st July, 1976.



INDIAN OIL BLENDING LIMITED

SCHEDULE '1' (as amended)

Contents

Index

	As at 31st March, 1972 Rs.	Previous Year Rs.
SHARE CAPITAL :		
Authorised:		
8,000 Equity Shares of Rs. 500 each	40,00,000	40,00,000
Issued, Subscribed & Paid-up :		
	40,00,000	40,00,000
RESERVES & SURPLUS:		
Development Rebate Reserve :		
Balance from last Balance Sheet	20,68,000	18,90,600
<i>Less:</i> Amount written back	380	—
	20,67,620	18,90,600
<i>Add:</i> Provision this year	1,69,000	1,13,900
Transferred from General Reserve	—	63,500
	22,36,620	20,68,000
GENERAL RESERVE:		
Balance brought forward	17,98,500	16,47,000
<i>Add:</i> This year	10,43,000	10,15,000
	28,41,500	26,62,000
<i>Less:</i> Dividend paid for the year ended 31-3-1971	8,00,000	8,00,000
Transferred to Development rebate Reserve	—	63,500
	20,41,500	17,98,500
SURPLUS :		
As per Profit & Loss Account	644	260
	42,78,784	38,66,760

For notes forming part of the accounts refer Schedule '6'

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

S. B. BUDHIRAJA <i>Chairman</i>	R. GURUMOORTHY <i>Managing Director</i>	K. L. GOEL <i>Financial Director</i>	J. K. WADHWA <i>Secretary</i>	N. B. DARUVALA <i>Partner (F. 6271)</i>
21st July, 1976.				21st July, 1976



INDIAN OIL BLENDING LIMITED

RATAN S. MAMA & Co.,
Chartered Accountants.

Contents

Index

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We refer to the Report of the Auditors dated 27th June, 1973 on the Balance Sheet of Indian Oil Blending Limited as at 31st March, 1973 and the relative Profit and Loss Account of the Company for the year ended on that date as adopted by the Company in its Annual General Meeting held on 19th July, 1973.

We confirm that we have verified the amendments to those Accounts as detailed in the Board Resolution dated 21st July, 1976 with those stated above.

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

N. B. DARUVALA
Partner (F. 6271)
21st July, 1976.



INDIAN OIL BLENDING LIMITED

SCHEDULE '2' (as amended)

Contents

Index

	As at 31st March, 1973 Rs.	Previous Year Rs.
RESERVES & SURPLUS:		
Development Rebate Reserve :		
Balance from last Balance Sheet	22,36,620	20,68,000
Less: Amount written back	—	380
	22,36,620	20,67,620
Add: Provision this year	1,34,380	1,69,000
Transferred from General Reserve	—	—
	23,71,000	22,36,620
GENERAL RESERVE:		
Balance brought forward	20,41,500	17,98,500
Add: This year	7,47,000	10,43,000
	27,88,500	28,41,500
Less: Dividend paid for the year ended 31-3-1972	8,00,000	8,00,000
Transferred to Development rebate Reserve	—	—
	19,88,500	20,41,500
SURPLUS :		
As per Profit & Loss Account	54	644
	43,59,554	42,78,784

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

S. B. BUDHIRAJA **R. GURUMOORTHY** **K. L. GOEL** **J. K. WADHWA** **N. B. DARUVALA**
Chairman *Managing Director* *Financial Director* *Secretary* *Partner (F. 6271)*

21st July, 1976.

21st July, 1976



INDIAN OIL BLENDING LIMITED

RATAN S. MAMA & Co.,
Chartered Accountants.

Contents

Index

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We refer to the Report of the Auditors dated 20th September, 1974 on the Balance Sheet of Indian Oil Blending Limited as at 31st March, 1974 and the relative Profit and Loss Account of the Company for the year ended on that date as adopted by the Company in its Annual General Meeting held on 25th September, 1974.

We confirm that we have verified the amendments to those Accounts as detailed in the Board Resolution dated 21st July, 1976 with those stated above.

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

N. B. DARUVALA
Partner (F. 6271)
21st July, 1976.



INDIAN OIL BLENDING LIMITED

SCHEDULE '2' (as amended)

Contents

Index

	As at 31st March, 1974 Rs.	Previous Year Rs.
RESERVES & SURPLUS:		
Development Rebate Reserve :		
Balance from last Balance Sheet	23,71,000	22,36,620
Less: Amount written back	318	—
	23,70,682	22,36,620
Add: Provision this year	1,63,318	1,34,380
Transferred from General Reserve	—	—
	25,34,000	23,71,000
GENERAL RESERVE:		
Balance brought forward	19,88,500	20,41,500
Add: This year	1,93,000	7,47,000
	21,81,500	27,88,500
Less: Dividend paid for the year ended 31-3-1973	8,00,000	8,00,000
Transferred to Development rebate Reserve	—	—
	13,81,500	19,88,500
SURPLUS :		
As per Profit & Loss Account	507	54
	39,16,007	43,59,554

For and on behalf of

RATAN S. MAMA & CO.,

Chartered Accountants.

S. B. BUDHIRAJA	R. GURUMOORTHY	K. L. GOEL	J. K. WADHWA	N. B. DARUVALA
<i>Chairman</i>	<i>Managing Director</i>	<i>Financial Director</i>	<i>Secretary</i>	<i>Partner (F. 6271)</i>

21st July, 1976.

21st July, 1976



INDIAN OIL BLENDING LIMITED

RATAN S. MAMA & Co.,
Chartered Accountants.

Contents

Index

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We refer to the Report of the Auditors dated 30th August, 1975 on the Balance Sheet of Indian Oil Blending Limited as at 31st March, 1975 and the relative Profit and Loss Account of the Company for the year ended on that date as adopted by the Company in its Annual General Meeting held on 20th September, 1975.

We confirm that we have verified the amendments to those Accounts as detailed in the Board Resolution dated 21st July, 1976 with those stated above.

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

N. B. DARUVALA
Partner (F. 6271)
21st July, 1976.



INDIAN OIL BLENDING LIMITED

SCHEDULE 'II' (as amended)

Contents

Index

	As at 31st March, 1975 Rs.	Previous Year Rs.
RESERVES & SURPLUS:		
Development Rebate Reserve :		
Balance from last Balance Sheet	25,34,000	23,71,000
Less: Amount written back	6,989	318
	25,27,011	23,70,682
Add: Provision this year	19,500	1,63,318
Transferred from General Reserve	—	—
	25,46,511	25,34,000
GENERAL RESERVE:		
Balance brought forward	13,81,500	19,88,500
Add: This year	6,00,000	1,93,000
	19,81,500	21,81,500
Less: Dividend paid for the year ended 31-3-1974	1,11,200	8,00,000
Transferred to Development rebate Reserve	—	—
	18,70,300	13,81,500
SURPLUS :		
As per Profit & Loss Account	3,739	507
	44,20,550	39,16,007

For and on behalf of

RATAN S. MAMA & CO.,

Chartered Accountants.

S. B. BUDHIRAJA	R. GURUMOORTHY	K. L. GOEL	J. K. WADHWA	N. B. DARUVALA
<i>Chairman</i>	<i>Managing Director</i>	<i>Financial Director</i>	<i>Secretary</i>	<i>Partner (F. 6271)</i>

21st July, 1976.

21st July, 1976



INDIAN OIL BLENDING LIMITED

AMENDMENTS TO THE PROFIT & LOSS ACCOUNTS FOR THE YEARS ENDED 31ST MARCH 1968, 1969, 1970 & 1971

Contents

Index

	Y.E. 31-3-1968		Y.E. 31-3-1969		Y.E. 31-3-1970		Y.E. 31-3-1971	
	As amended	Original						
Development Rebate Reserve	7,59,211	4,24,211	1,27,077	72,077	56,300	31,300	1,13,900	68,900
Operating Profit	24,32,288	27,67,288	28,25,777	28,80,777	26,27,722	26,52,722	27,01,836	27,46,836
Excess Development Rebate Reserve written back	3,35,000	—	*	*	*	*	*	*
Profit before (subject to) Taxes	*	*	28,27,941	28,82,941	26,94,800	27,19,800	27,03,432	27,48,432
Profit after Taxes	*	*	28,27,941	28,82,941	9,84,800	10,09,800	10,13,432	10,58,432
Profit available for Distribution	*	*	13,18,941	13,73,941	9,86,828	10,11,828	10,15,260	10,60,260
Transfer to General Reserve	*	*	13,16,913	13,71,913	9,85,000	10,10,000	10,15,000	10,60,000

* Denotes 'no change' in the amounts due to amendments.

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

S. B. BUDHIRAJA

Chairman

R. GURUMOORTHY

Managing Director

K. L. GOEL

Financial Director

J. K. WADHWA

Secretary

N. B. DARUVALA

Partner (F. 6271)

Bombay: Dated the 21st July, 1976.

21st 3 July, 1976.



INDIAN OIL BLENDING LIMITED

AMENDMENTS TO THE BALANCE SHEETS AS AT 31ST MARCH EACH YEAR FROM 1968 TO 1971

Contents

Index

	1968 (Schedule A)		1969 (Schedule A)		1970 (Schedule 1)		1971 (Schedule 1)	
	As amended	Original						
RESERVES AND SURPLUS:								
DEVELOPMENT REBATE RESERVE:								
Balance from last Balance Sheet	13,46,712	13,46,712	17,70,923	17,70,923	18,98,000	18,43,000	18,90,600	18,10,600
Less: Amount written back	3,35,000	—	—	—	63,700	63,700	—	—
	10,11,712	13,46,712	17,70,923	17,70,923	18,34,300	17,79,300	18,90,600	18,10,600
Add: Provision this year	7,59,211	4,24,211	1,27,077	72,077	56,300	31,300	1,13,900	68,900
Transfer from General Reserve	—	—	—	—	—	—	63,500	63,500
	17,70,923	17,70,923	18,98,000	18,43,000	18,90,600	18,10,600	20,68,000	19,43,000
GENERAL RESERVE:								
Balance brought forward	—	—	9,45,087	9,45,087	14,62,000	15,17,000	16,47,000	17,27,000
Add: This year	9,45,087	9,45,087	13,16,913	13,71,913	9,85,000	10,10,000	10,15,000	10,60,000
	9,45,087	9,45,087	22,62,000	23,17,000	24,47,000	25,27,000	26,62,000	27,87,000
Less: Transfer to Development								
Rebate Reserve	—	—	—	—	—	—	63,500	63,500
Dividend paid	—	—	8,00,000	8,00,000	8,00,000	8,00,000	8,00,000	8,00,000
	9,45,087	9,45,087	14,62,000	15,17,000	16,47,000	17,27,000	17,98,500	19,23,500

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

S. B. BUDHIRAJA
Chairman

R. GURUMOORTHY
Managing Director

K. L. GOEL
Financial Director

J. K. WADHWA
Secretary

N. B. DARUVALA
Partner (F. 6271)

Bombay: Dated the 21st July, 1976.

21st July, 1976.



INDIAN OIL BLENDING LIMITED

AMENDMENTS TO THE BALANCE SHEETS AS AT 31ST MARCH EACH YEAR FROM 1972 TO 1975

Contents

Index

	1968 (Schedule A)		1969 (Schedule A)		1970 (Schedule 1)		1971 (Schedule 1)	
	As amended	Original						
RESERVE AND SURPLUS:								
Development Rebate Reserve:								
Balance from last Balance Sheet	20,68,000	19,43,000	22,36,620	21,11,620	23,71,000	22,46,000	25,34,000	24,09,000
Less: Amount written back	380	380	—	—	318	318	6,989	6,989
	20,67,620	19,42,620	22,36,620	21,11,620	23,70,682	22,45,682	25,27,011	24,02,011
Add: Provision this year	1,69,000	1,69,000	1,34,380	1,34,380	1,63,318	1,63,318	19,500	19,500
Transfer from General Reserve	—	—	—	—	—	—	—	—
	22,36,620	21,11,620	23,71,000	22,46,000	25,34,000	24,09,000	25,46,511	24,21,511
General Reserve:								
Balance brought forward	17,98,500	19,23,500	20,41,500	21,66,500	19,88,500	21,13,500	13,81,500	15,06,500
Add: This year	10,43,000	10,43,000	7,47,000	7,47,000	1,93,000	1,93,000	6,00,000	6,00,000
	28,41,500	29,66,500	27,88,500	29,13,500	21,81,500	23,06,500	19,81,500	21,06,500
Less: Transfer to Development Rebate Reserve	—	—	—	—	—	—	—	—
Dividend paid	8,00,000	8,00,000	8,00,000	8,00,000	8,00,000	8,00,000	1,11,200	1,11,200
	20,41,500	21,66,500	19,88,500	21,13,500	13,81,500	15,06,500	18,70,300	19,95,300

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountants.

S. B. BUDHIRAJA
Chairman

R. GURUMOORTHY
Managing Director

K. L. GOEL
Financial Director

J. K. WADHWA
Secretary

N. B. DARUVALA
Partner (F. 6271)

Bombay: Dated the 21st July, 1976.

21st July, 1976.



**AUDITORS' REPORT TO THE SHAREHOLDERS OF
INDIAN OIL BLENDING LIMITED**

We have examined the attached Balance Sheet of Indian Oil Blending Limited as at 31st March, 1976 and also the Profit and Loss Account for the year ended on that date annexed thereto and we report that :-

- (a) We have obtained all the information and explanation 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 appears from our examination of those books and proper returns, adequate for the purposes of our audit have been received from the branch;
- (c) The Company's Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the Books of Account.

Pursuant to the Manufacturing and Other Companies (Auditors' Report) Order, 1975 under Section 227(4A) of the Companies Act, 1956, on the basis of such checks as we consider appropriate, we further state as under

- (i) The Company is maintaining proper records to show full particulars including quantitative details and situation of Fixed Assets; these Fixed Assets have been physically verified by the Management after the year under report and we are informed that no serious discrepancies were noticed on such verification.
- (ii) None of the fixed assets has been revalued during the year;
- (iii) The Company has stocks of maintenance, stores and spare parts only, which have been physically verified as at the close of the year and the valuation of these stocks are in accordance with the normally accepted accounting principles and is on the same basis as in the earlier years;
- (iv) The Company has not taken any loans from companies, firms or other parties listed in the Register maintained under Section 301 and Section 370 (1-c) of the Companies Act, 1956 or which are otherwise companies under the same management as this Company.
- (v) The parties to whom loans or advances in the nature of loans have been given are repaying the principal amounts as stipulated; the interest thereon being recoverable after the full repayment of principal.
- (vi) Adequate internal control procedures commensurate with the size of the Company and the nature of its business exist for the purchase of stores, components, plant and machinery, equipment, etc.
- (vii) The Company has purchased fuel and oils exceeding Rs. 10,000 in value during the year from the Indian Oil Corporation Limited, the holding Company, in which the Chairman of the Company is a Director, at controlled prices.
- (viii) Unserviceable/damaged maintenance spares and components are determined periodically and the loss, if any, is accounted for sale as scrap.

INDIAN OIL BLENDING LIMITED

Contents

- (ix) The Company has not accepted any deposits from the public.
- (x) The Company does not have any by-product or scrap arising from its processing operation; scrap of maintenance stores and components are accounted for at the time of sale for which reasonable control procedure exists.
- (xi) The Company has an internal audit system organised by Indian Oil Corporation Limited, its holding Company, which is commensurate with the size and nature of Company's business.
- (xii) As far as we are aware, maintenance of cost records has not been prescribed for the Company by the Central Government under Section 209(i)(d) of the Companies Act, 1956.
- (xiii) According to the records of the Company, it has regularly deposited, during the year, the provident fund dues with the appropriate authorities.

Index

In our opinion and to the best of our information and according to the explanations given to us, the said accounts, subject to :-

Note No. 11 regarding provision for proposed dividend, give the information required by the Companies Act, 1956 in the manner so required,

and subject to

Note No.1 regarding writing off of the entire cost of capital expenditure on scientific research, and

Note No.9 regarding charge on account of replacements to Grease Plant damaged by fire to Repairs and Maintenance and to Stores Consumed, give a true, and fair view

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 1976;

and

- (ii) in the case of the Profit and Loss Account, of the **PROFIT** for the year ended on that date

For and on behalf of

RATAN S. MAMA & CO.,
Chartered Accountants.

N. B. DARUVALA
Partner (F. 6271)
21st July, 1976.

2-C, Vulcan Insurance Bldg.,
77, Veer Nariman Road,
Bombay-400 020.



Directors' Report to the Shareholders

Gentlemen :

Your Directors are pleased to place before you the audited Profit & Loss Account for the year ended 31st March, 1976, and the Balance Sheet as at that date, as required under the provisions of the Companies Act, 1956.

FINANCIAL RESULTS

The Company has made a gross profit of Rs. 28,07,291, as against Rs. 28,59,825 during the year 1974-75. The comparative figures of gross profit, depreciation, provision for taxation, provision for development rebate, etc., are as under :-

	<u>1975-76</u> Rs.	<u>1974-75</u> Rs.
Gross profit before depreciation and development rebate	28,07,291	28,59,825
Depreciation	10,84,329	9,06,829
Provision for development rebate	48,700	19,500
Provision for taxation	11,70,000	16,13,000
Net profit after tax	5,04,262	3,20,496
<i>Add:</i> Income pertaining to prior years	2,27,027	2,82,736
<i>Add:</i> Development rebate reserve written back after the expiry of statutory period	4,72,000	—
<i>Add:</i> Balance from last year's Profit & Loss Account . .	3,739	507
Net surplus available for distribution . .	12,07,028	6,03,739

GENERAL RESERVE & DIVIDENDS

From the surplus of Rs. 12,07,028, an amount of Rs. 12,00,000 has been transferred to the General Reserve, thus leaving a Balance of Rs. 7,028 in the Profit & Loss Account to be carried forward.

Although the balance of General Reserve at the end of the Financial Year 1974-75 was Rs. 19,95,300, certain adjustments have been made in the accounts for the year ended 31st March, 1968, 31st March, 1969,

31st March, 1970 and 31st March, 1971, making additional provisions for the Development Rebate Reserve to enable us to avail of full benefits available to Priority Industries. The net effect on account of these adjustments is that the General Reserve as on 31st March, 1975 has been reduced by Rs. 1,25,000 and the Development Rebate Reserve has been increased to the same extent. Accordingly, the balance of General Reserve brought forward from the previous year, as modified, would be Rs. 18,70,300. After adding the current year's provision to General Reserve of Rs. 12,00,000 and deducting a dividend of Rs. 2,00,000 paid for the year ended 31st March, 1975, the General Reserve aggregates to Rs. 28,70,300.

Out of the amount of the General Reserve of Rs. 28,70,300, your Directors recommend a dividend of Rs. 50 per equity share, aggregating to Rs. 4,00,000 being 10 per cent of the paid up capital.

FINANCE

As against the total authorised borrowing limit of Rs. 32 lacs, but approved limit of Rs. 25 lacs by the State Bank of India, the outstanding as on 31st March, 1976 was Rs. 7,06,072.

REVISION IN BLENDING FEES AND PROFITABILITY

The blending fee rates charged to IOC were not adequate to cover the operating costs of the Plants, especially due to continued heavy drop in the IOC's production requirements of lubricants, consequent upon the slump in demand for these products. As such, IOC was approached and the blending fees were revised retrospectively with effect from 1st April, 1975, so that the IOBL Plants could be run as viable units. Simultaneously, steps were also taken to cut down the operating costs as far as possible.

A major cost saving measure has been adopted at Bombay Plant by doing away with the contract labour for stacking and loading/unloading operations from February, 1976 and all these jobs are now being handled by IOBL's own workmen. This has been possible by improved man-power planning, effective supervision and inculcating cost consciousness amongst employees at all levels with the object of attaining higher productivity.



OPERATIONS

Lubes: During the year, under review, Bombay and Calcutta Plants had a throughput of 1,16,415 KLs and 72,864 KLs respectively of lubes. The total throughput thus was 1,89,279 KLs, as against 2,16,762 KLs during the preceding year, registering a shortfall of 12.6 per cent. The shortfall is primarily attributed to slackening of demand for lubricants and measures taken by IOC to bring down their inventory level of packed stocks at their installations and Depots.

Greases: The Grease Plant at Bombay had a throughput of 2,524 MTs, as compared to 2,767 MTs during the preceding year. The Grease Plant operation was adversely affected due to shortage of critical raw materials from indigenous sources and also because the Plant had been shut down for a month and a half from 1st January, 1976, as a result of an accidental fire in the hot oil furnace, which was put back into operation and the Grease Plant re-commissioned on 16th February, 1976. It is expected that full capacity utilisation will be possible during the year 1976-77.

Diversification: Under the diversification plans, the Bombay Plant started making some of the raw materials like Sulphurised Base Oils and Asphaltic Compounds, which were earlier being procured by IOC from outside parties.

Customs and Excise Bonds: At the request of IOC, IOBL Plants at Bombay and Calcutta took effective steps to receive base oil shipments under Customs and Excise Bonds. Out of 24 storage tanks at Bombay Plant with an aggregate capacity of 34,477 KLs, 21 tanks with a total capacity of 32,606 KLs have been bonded. Out of 20 storage tanks at Calcutta with an aggregate capacity of 15,655 KLs, 13 tanks with a total capacity of 6,915 KLs have already been bonded.

PROJECTS

Clay Treatment Plant at Calcutta: The first trial of the Clay Treatment Plant at Calcutta was carried out in November, 1975, and further trials are in progress to collect process data and to standardise operating procedures to enable finished products to meet the stringent international specification of Morgan Bearing Oils. The samples of finished products obtained in the trial runs have been sent to IOC, R & D Centre, Faridabad and are currently being evaluated.

Additional facilities at Calcutta Plant: During the year, initial spade work has been carried out to formulate plans for providing adequate facilities at Calcutta Plant to be able to handle additional volume of base stocks expected to

be received from Haldia Refinery when its Lube Complex goes on stream.

Additional land at Bombay: Lack of adequate working space at Bombay Plant is being viewed with concern not only for toning up the existing operations but also for undertaking future diversification plans. Bombay Port Trust has been approached for a piece of land measuring approx. 2,973 M² adjoining the existing plot and the matter is being pursued.

RESEARCH & DEVELOPMENT

Equipment for research and development facilities valued at Rs. 1,89,081, including one Infra-Red Spectrophotometer costing Rs. 1,75,373, was installed and commissioned during the year.

PERSONNEL & WELFARE

The total number of employees stood at 439 as on 31st March, 1976, compared to 440 during the preceding year. During the year, industrial relations were most cordial.

PARTICULARS OF EMPLOYEES

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

DIRECTORS

During the year, under report, there was no change in the composition of the Board of Directors and Shri S. B. Budhiraja, Shri R. Gurumoorthy, Shri K. L. Goel and Dr. J. S. Ahluwalia continued to be the Chairman, Managing Director, Financial Director and Director, respectively.

All the Directors, other than the Managing Director, whose appointment is for a fixed term of three years upto 24th March, 1978, are liable to retire at the conclusion of the next Annual General Meeting, pursuant to Article 157 of the Articles of Association of the Company, but all these Directors, viz. Shri S. B. Budhiraja, Shri K. L. Goel and Dr. J. S. Ahluwalia, being eligible, offer themselves for re-election.

For Indian Oil Blending Limited,

S. B. BUDHIRAJA
Chairman

Encl. As above
Bombay: Dated the 21st day of July, 1976.



INDIAN OIL BLENDING LIMITED

Contents

Index

BALANCE SHEET AS AT 31ST MARCH, 1976

LIABILITIES	Schedule	Rs.	Rs.	As at 31st March, 1975 Rs.
Share Capital	I		40,00,000	40,00,000
Reserves and Surplus	II		50,00,539	44,20,550
Unsecured Loans	III		7,06,072	8,13,975
Current Liabilities and Provisions:	IV			
(a) Current Liabilities		19,03,357		21,72,374
(b) Provisions		44,49,323		32,79,323
			63,52,680	54,51,697
Contingent Liabilities	V			
Notes Forming Part of Accounts	X			
TOTAL			1,60,59,291	1,46,86,222

The foregoing Balance Sheet together with Schedules I to VII and X is hereby authenticated by us.

S. B. BUDHIRAJA
Chairman

R. GURUMOORTHY
Managing Director

K. L. GOEL
Financial Director

J. K. WADHWA
Secretary

Bombay, 21st July, 1976.



INDIAN OIL BLENDING LIMITED

Contents

Index

BALANCE SHEETV AS AT 31ST MARCH, 1976 CONTD...

ASSETS		Rs.	Rs.	As at 31st March, 1975 Rs.
	Schedule			
Fixed Assets	VI		90,10,627	88,36,456
Capital Work-in-Progress	VI		1,12,738	5,34,066
Current Assets, Loans and Advances : VII				
(a) Current Assets		34,22,687		31,36,061
(b) Loans and Advances		35,13,239		21,79,639
			69,35,926	53,15,700
			
TOTAL			1,60,59,291	1,46,86,222

As per our report of even date.

For and on behalf of

RATAN S. MAMA & CO.,
Chartered Accountants.

N. B. DARUVALA
Partner (F/6271).

21st July, 1976.



INDIAN OIL BLENDING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED
31ST MARCH, 1976

Contents

Index

	Rs.	Rs.	Previous Year Rs.
INCOME:			
Throughput, Blending & Manufacturing charges	1,24,79,974		1,13,83,781
Technical and Laboratory Service charges	<u>4,14,000</u>		<u>4,14,000</u>
		1,28,93,974	<u>1,17,97,781</u>
Interest	6,698		1,480
Miscellaneous Income	39,757		3,644
Profit on disposal of assets	<u>2,954</u>	<u>49,409</u>	<u>25,640</u>
TOTAL INCOME		1,29,43,383	1,18,28,545
EXPENDITURE:			
Operating and other expenses (Per Schedule VIII)	1,00,37,379		86,44,508
Interest	50,253		1,76,527
Depreciation	10,84,329		9,06,829
Development Rebate Reserve	48,700		19,500
Loss on Sale/Scrapping of Assets	<u>4,433</u>		<u>11,526</u>
TOTAL EXPENDITURE		1,12,25,094	97,58,890
PROFIT BEFORE TAX		17,18,289	20,69,655
Provision for Taxation (including Sur-tax on Profits Rs. 7,000-Previous Year Rs. 28,000)		<u>11,70,000</u>	<u>12,67,000</u>
PROFIT AFTER TAX		5,48,289	8,02,655
Expenses of Prior Year		44,027	1,36,159
Additional Provision for Taxation for Prior years		<u>—</u>	<u>3,46,000</u>
		5,04,262	3,20,496
Excess Provision of earlier year (including Bonus Rs. 1,74,237)		2,27,027	2,75,747
Development Rebate Reserve Written back in respect of assets sold/Expiry of Statutory period/Excess provided		<u>4,72,000</u>	<u>6,989</u>
DISPOSABLE PROFIT		12,03,289	6,03,232
Balance brought forward from last year		<u>3,739</u>	<u>507</u>
		12,07,028	6,03,739
Appropriated to General Reserve		<u>12,00,000</u>	<u>6,00,000</u>
Balance carried to Balance Sheet		<u>7,028</u>	<u>3,739</u>
Additional Information Schedule	IX		

The foregoing Profit & Loss Account together with Schedules VIII to X is authenticated by us.

As per our Report of even date.

S. B. BUDHIRAJA
Chairman

R. GURUMOORTHY
Managing Director

K. L. GOEL
Financial Director

J. K. WADHWA
Secretary

For and on behalf of
RATAN S. MAMA & CO.,
Chartered Accountant

N.B. DARUVALA
Partner (F/6271)

Bombay, 21st July, 1976.

21st July, 1976.



	Rs.	Rs.	Previous Year Rs.
<u>SCHEDULE I</u>			
SHARE CAPITAL:			
Authorised			
8,000 Equity Shares of Rs. 500/- each		40,00,000	40,00,000
Issued and Subscribed:			
8,000 Equity Shares of Rs. 500/-each fully paid-up (entire share capital held by Indian Oil Corporation Limited, the holding Company)		40,00,000	40,00,000
<u>SCHEDULE II</u>			
RESERVES AND SURPLUS:			
1. Development Rebate Reserve			
Balance per last Balance Sheet	25,46,511		25,34,000
Add: Amount set aside during the year	48,700		19,500
	25,95,211		25,53,500
Less: Amount written back in respect of assets sold/Expiry of Statutory period/Excess provided	4,72,000		6,989
		21,23,211	25,46,511
2. General Reserve			
Balance per last Balance Sheet	18,70,300		13,81,500
Add: Amount appropriated from Profit & Loss Account for the year	12,00,000		6,00,000
	30,70,300		19,81,500
Less: Dividend paid out for the year ended 31-3-1975	2,00,000		1,11,200
	28,70,300		18,70,300
3. Surplus			
Balance in Profit & Loss Account		7,028	3,739
		50,00,539	44,20,550
<u>SCHEDULE III</u>			
Unsecured Loan:			
SHORT TERM LOANS AND ADVANCES:			
From Bank	7,06,072		7,72,949
Interest accrued and due thereon	—		41,026
		7,06,072	8,13,975
Note: The above loan is guaranteed by Indian Oil Corporation Limited, the holding Company, by endorsing in favour of the Bankers, a Demand Promissory Note for Rs. 32,00,000 executed by the Company.			
<u>SCHEDULE IV</u>			
Current Liabilities and Provisions			
(a) Current Liabilities			
SUNDRY CREDITORS:			
Amount due to Indian Oil Corporation Limited, the holding Company - a Company under the same Management	95,815		17,488
Other Creditors	15,46,489		17,49,716
Other Liabilities	2,61,053		4,05,170
		19,03,357	21,72,374
(b) Provisions :			
For Taxation		44,49,323	32,79,323
		63,52,680	54,51,697
<u>SCHEDULE V</u>			
Contingent Liabilities			
1. Claims for miscellaneous items (including claim for reimbursement of demurrage charges etc. of Rs. 92,319 by Indian Oil Corporation Ltd., the holding Company) not acknowledged as debts by the Company		2,06,544	2,14,600
2. Estimated amount of contracts remaining to be executed for capital account and not provided for		1,88,272	2,19,500
3. Surety executed in favour of Govt. of Kerala, for Purchase Tax demanded by Sales Tax Authorities, Kerala, from IOC Limited		35,03,286	—

SCHEDULE VI FIXED ASSETS & CAPITAL WORK-IN-PROGRESS

	COST			
	As on 1-4-1975	Addition including transfers	Deduction including transfers	As on 31-3-1976
	Rs.	Rs.	Rs.	Rs.
BUILDINGS	38,68,508	3,79,315	—	42,47,823
RAILROAD SIDING	2,73,390	—	—	2,73,390
PLANT AND MACHINERY	1,24,96,189	2,83,187	—	1,27,79,376
FORKLIFT TRUCKS	6,20,847	2,60,280	—	8,81,127
FURNITURE, FIXTURES AND OFFICE EQUIPMENT	8,58,409	1,53,451	19,967	9,91,893
MOTOR VEHICLES	1,46,092	—	—	1,46,092
RESEARCH & DEVELOPMENT EQUIPMENT & FITTINGS	3,24,374	1,89,081	—	5,13,455
TOTAL	1,85,87,809	12,65,314	19,967	1,98,33,156
<i>PREVIOUS YEAR</i>	<i>1,86,08,625</i>	<i>2,49,365</i>	<i>2,70,181</i>	<i>1,88,87,809</i>
<u>CAPITAL WORK-IN-PROGRESS:</u>				
BUILDINGS	2,08,236	1,99,481	3,82,084	25,633
PLANT AND MACHINERY	3,25,830	2,37,041	4,75,766	87,105
TOTAL	5,34,066	4,36,522	8,57,850	1,12,738
<i>PREVIOUS YEAR</i>	<i>3,21,865</i>	<i>4,66,196</i>	<i>2,53,995</i>	<i>5,34,066</i>



SCHEDULE VI FIXED ASSETS & CAPITAL WORK-IN-PROGRESS Contd...

DEPRECIATION			NET BLOCK		
Upto 31-3-1975	For the Year	Adjusted on sale/ scrapping	Upto 31-3-1976	As on 31-3-1976	As at 31-3-1975
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
12,14,673	1,69,542	—	13,84,215	28,63,608	26,53,835
1,65,901	10,749	—	1,76,650	96,740	1,07,489
72,77,841	5,66,821	—	78,44,662	49,34,714	52,18,348
2,91,378	58,975	—	3,50,353	5,30,774	3,29,469
3,97,737	75,833	13,153	4,60,417	5,31,476	4,60,672
79,450	13,328	—	92,778	53,314	66,642
3,24,373	1,89,081	—	5,13,454	1	1
97,51,353	10,84,329	13,153	1,08,22,529	90,10,627	88,36,456
90,53,972	9,06,829	2,09,448	97,51,353	88,36,456	95,54,653
				25,633	2,08,236
				87,105	3,25,830
				1,12,738	5,34,066
				5,34,066	3,21,865



	Rs.	Rs.	Previous Year Rs.
SCHEDULE VII			
Current Assets, Loans and Advances:			
(a) Current Assets			
Stores and Spare Parts:-At Cost			
(Per summarised inventories certified by the Managing Director)			
	2,52,370	2,47,763	
Sundry Debtors-Unsecured:			
Due from Indian Oil Corporation Limited, the holding Company and a Company under the same management:			
Debits outstanding for a period exceeding six months:			
Considered doubtful	84,508	68,555	
Other Debits-Considered Good	30,56,956	27,99,628	
	<u> </u>	31,41,464	<u>28,68,183</u>
(Maximum amount due at any time during the year Rs. 31,41,464 - Previous Year Rs. 28,68,183)			
Cash and cheques on hand	14,200	10,700	
Bank balances:			
In Current Accounts with Scheduled Banks		14,653	9,415
		<u>34,22,687</u>	<u>31,36,061</u>
(b) Loans and Advances:			
(i) Unsecured, Considered Good:			
Due from Indian Oil Corporation Limited, the holding Company and a Company under the same management			
	70,101		1,60,074
(Maximum amount due at any time during the year Rs. 1,60,074 - Previous Year Rs. 1,60,074)			
Due from others	2,49,911	2,26,850	
Advance payment of income-tax	29,60,985		16,43,694
(ii) Secured, Considered Good	<u>2,32,242</u>	<u>1,49,021</u>	
		35,13,239	<u>21,79,639</u>
TOTAL		<u>69,35,926</u>	<u>53,15,700</u>

	Rs.	Rs.	Previous Year Rs.
SCHEDULE VIII			
OPERATING AND OTHER EXPENSES:			
Salaries, Wages, Allowances & Bonus (including Rs. 2,67,992 - Previous Year Rs. 1,74,117 paid to Contractors for Casual Labour)	61,40,781		56,44,898
Company's Contribution to:			
Employees' Provident and Family Pension Fund	3,45,207		3,10,484
Employees' State Insurance	<u>10,444</u>		<u>24,380</u>
		64,96,432	59,79,762
Gratuity		86,517	14,825
Staff Welfare and Benefits		7,75,670	5,83,939
Technical Director's Remuneration and Perquisites:			
Salary (including tax of Rs. Nil - Previous Year Rs. 1,452 borne by the Company)			12,194
House Rent		—	4,297
Medical Expenses	—	10	
Passage Money and Shipping Charges of personal effects on termination of contract on 19-7-1974			<u>92,785</u>
			1,09,286
(Use of Office car with Driver for Nil months per Income Tax Rules -Rs. Nil - Previous Year upto 19-7-1974 - Rs. 1,800)			
Fuel, Power and Water Charges		7,80,535	7,65,595
Stores Consumed	3,84,333	1,47,578	
Rent		1,04,180	1,04,180
Rates and Taxes	1,04,092	96,227	
Licence Fees		18,908	19,361
Material Handling (Forklift Truck) Expenses		1,87,282	1,38,591
Equipment Rental	3,432	3,065	
Repairs and Maintenance of:			
Buildings	87,388		27,569
Plant and Machinery	4,08,784		2,07,854
Railway Siding	59,589	46,463	
Others	<u>45,233</u>		<u>34,358</u>
Insurance (including Emergency Risk Insurance Premium of Rs. 175 -Previous Year Rs. 360)		6,00,994	3,16,244
		39,469	40,827
Miscellaneous Expenses:			
Travelling and Conveyance	1,46,809		1,19,885
Printing and Stationery	51,267		35,913
Postage, Telegrams & Telephones	57,094		74,773
Freight and Cartage (Outward)	2,650		3,770
Bank Charges	5,288	5,646	
Subscriptions & Membership	3,146		2,890
Advertisements	3,600	3,600	
Entertainment Charges	4,273		5,688
Legal & Professional Charges	22,408		12,692
Payment to Auditors:Rs.			
As Auditors	10,000		10,000
In other capacity:			
For Taxation matters	—		—
For Certification	500		—
For reimbursement of out of pocket expenses	<u>1,450</u>		<u>—</u>
		11,950	10,000
General Charges	87,931		50,171
Donation	100		—
Claims, Damages, etc. payable to IOC	59,019		—
		<u>4,55,535</u>	<u>3,25,028</u>
TOTAL		<u>1,00,37,379</u>	<u>86,44,508</u>

SCHEDULE IX

Additional information pursuant to paras 3, 4C & 4D in part II of Schedule VI, to the Companies Act, 1956

	As at 31-3-1976		As at 31-3-1975	
	Lubes (Kilo Ltrs.)	Greases (Metric Tonnes)	Lubes (Kilo Ltrs.)	Greases (Metric Tonnes)
1. Capacity & Production				
(i) Licensed Capacity	2,50,000	4,536	2,50,000	4,536
(ii) Installed Capacity	2,50,000	4,536	2,50,000	4,536
	<u>Current Year</u>		<u>Previous Year</u>	
(iii) Actual Production 2,767	1,89,279		2,524	2,16,762
Note: The Company does not produce any goods on its own account but processes materials received by it from Indian Oil Corporation Ltd., the quantities mentioned above relate to such processing operations.				
2. (i) Raw Materials Consumed	Nil		Nil	
(ii) Goods produced:				
Opening Stock	Nil		Nil	
Closing Stock	Nil		Nil	
Note: The Company does not purchase or acquire any raw materials nor does it produce any goods on its own account, but processes materials supplied by Indian Oil Corporation Ltd., hence quantities of Raw Materials consumed and stocks of goods produced are stated NIL.				
3. Turnover (Processing Fees)				
(i) Lube Blending	— Kilo Ltrs.	1,89,279		2,16,762
	Rupees	1,15,96,434		1,06,08,842
(ii) Grease Manufacturing	— Metric Tonnes	2,524		2,767
	Rupees	8,83,540		7,74,939
4. (i) Number of employees who were in receipt of remuneration, excluding provision for Gratuity, which, in the aggregate, was not less than:-				
(a) Rs. 36,000 for the year (employed throughout the year)		3		4
(b) Rs. 3,000 per month (employed for a part of the year)		Nil		Nil
(ii) Break-up of the Expenditure incurred on the above employees:-				
		Rs.		Rs.
Salaries and Bonus		1,16,613		1,53,690
Contributions to Provident & Family-Pension Funds		7,349		9,409



	As at 31-3-1976		As at 31-3-1975	
	Rs.		Rs.	
5. (i) Value of imports on C.I.F Basis:				
Raw Materials	Nil		Nil	
Components & Spare Parts	Nil		30,772	
Capital Goods	96,937		37,560	
(ii) Expenditure in Foreign Currency:				
Royalty	Nil		Nil	
Know-how	Nil		Nil	
Professional Consultation Fee	Nil		Nil	
Interest	Nil		Nil	
Other matters	Nil		Nil	
(iii) Value of Raw Materials, Components and Spare Parts Consumed:				
	Value Rs.	Percentage of Total	Value Rs.	Percentage of Total
Imported: Raw Materials	Nil	Nil	Nil	Nil
Components & Spare Parts	10,045	3	8,918	6
Indigenous: Raw Materials	Nil	Nil	Nil	Nil
Components & Spare Parts	3,74,288	97	1,38,660	94
Total	3,84,333	100	1,47,578	100
Other matters				
(iv) Remittance in Foreign Currency:				
Dividends Net after Taxes	Nil		Nil	
Number of Non-Resident Shareholders	Nil		Nil	
Number of Shares (Equity) held by them	Nil		Nil	
(v) Earnings in Foreign Exchange:				
Export of Goods on FOB Basis	Nil		Nil	
Royalty, Know-how, Professional & Consultation				
Fees	Nil		Nil	
Interest and Dividends	Nil		Nil	
Other Income	Nil		Nil	

SCHEDULE 'X'

NOTES FORMING PART OF THE ACCOUNTS

1. Depreciation of Rs. 10,84,329 (*Previous Year Rs. 9,06,829*) charged in the Accounts for the year includes a sum of Rs. 1,89,081 (*Previous Year Rs. 7,213*) being capital expenditure on scientific research written off pursuant to allowance under Section 35 of the Income-tax Act, 1961.
2. The Company's applications for grant of Tax Credit Certificates under Section 280 ZB of the Income-tax Act, 1961 for Assessment Years 1969/70 and 1970/71 are pending before the Income-tax Authorities. The value of the Tax Credit Certificates that the Company may be entitled to, cannot be ascertained in view of pending appeals and will be considered in the accounts upon realisation after finalisation of pending appeals.
3. The Income-tax Authorities desire to treat the Company as a Company in which the public are not substantially interested. This is being contested by the Company. No provision has been made in the accounts for the additional tax liability upto and inclusive of Assessment Year 1976/77, if any, that might arise, if the Company is held to be a Company in which the public are not substantially interested - amount unascertained.
4. The amount charged to the Accounts for the year in respect of liability for staff gratuities consists of Rs. 62,517 being net amount of premium under the Group Gratuity-cum-Life Assurance Scheme and Rs. 24,000 provided for gratuity to an employee, who died prior to the adoption of above scheme.
5. Advance of Rs. 19,700 to Bombay Port Trust represents amounts paid during the year ended 31st March, 1968 :-

Rs.	
(i) for diverting and laying new cables	18,200
(ii) against legal expenses for lease deed	<u>1,500</u>
	<u>19,700</u>

As the relevant expense statements have not yet been received from the Bombay Port Trust, no provision or adjustment has been made.

6. The Company had acquired land on lease at Bombay and Calcutta from Bombay and Calcutta Port Authorities respectively. Additional land was acquired at Calcutta in December, 1972. The lease agreement for land at Calcutta was executed on 22nd May, 1971 and the agreements for land at Bombay and for additional land at Calcutta have not yet been executed.
7. As a result of certain amendments made in the Accounts for the years ended 31st March, 1968 and onwards, the balance of development rebate reserve as on 1st April, 1975, has increased by Rs. 1,25,000 and the balance of General Reserve as on that date decreased by like amount.
8. The Company has with effect from 1st January, 1976 provided the Managing Director with the use of Company's car for private purposes upto 500 Km. per month on a payment of Rs. 100 p.m.
9. During the year, the Company's Grease Plant Furnace was partially damaged by fire. The cost of repairs to the said Plant amounting to Rs. 1,12,948 has been charged to Repairs and Maintenance of Plant and Machinery.
The cost of entire replacement of Mobilthermlite Oil used as Heat Transmission Medium amounting to Rs. 1,17,657 has been charged to Stores Consumed.
The claim lodged with the Insurance Company has not yet been quantified. According to the Management, the estimated amount of claim likely to be realised from the Insurance Company is Rs. 31,000 for which credit will be taken in the accounts of the year in which the claim is quantified.
10. The items and amounts in respect of the previous year have been regrouped and recast where necessary, to make them comparable with those of the current year.
11. The Board of Directors at their meeting held on 21st July, 1976 have recommended a dividend of Rs. 50 per Equity Share, aggregating to Rs. 4,00,000 for the year ended 31st March, 1976. However, no separate provision is made for the same. The dividend as and when declared by the Shareholders will be paid out of General Reserve.



INDIAN OIL BLENDING LIMITED
COMMENTS OF THE COMPTROLLER AND AUDITOR
GENERAL OF INDIA UNDER SECTION 619(4) OF THE
COMPANIES ACT, 1956.

Contents

Index

I am to state that there are no comments upon the Auditor's Report under Section 619(4) of the Companies Act, 1956 on the accounts of Indian Oil Blending Limited for the year ended it March, 1976.

Sd/-

(M. S. SARNA)

Member, Audit Board and
Ex- Officio Director of Commercial
Audit

DEHRA DUN,
Dated 31st August, 1976.

