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# Independent Auditors' Report

To  
The Members of Indian Oil Corporation Limited

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Indian Oil Corporation Limited (hereinafter referred to as "the Holding Company") and its Subsidiaries (collectively referred to as "the Group"), its Joint Ventures and Associates, which comprise of the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements including, a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, joint ventures and associates as referred to in the "Other Matter" Paragraphs 2 and 3, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its Joint Ventures and Associates as at March 31, 2025, and its consolidated profit including other comprehensive income, consolidated changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group, its Joint Ventures and Associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI), together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred in Other Matters paragraphs below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

## Key Audit Matters

## Auditors' response to Key Audit Matters

**Property, Plant & Equipment and Intangible Assets**

There are areas where management judgement impacts the carrying value of property, plant and equipment, intangible assets and their respective depreciation/amortisation rates. These include the decision to capitalise or expense costs; the annual asset life review; the timeliness of the capitalisation of assets and the use of management assumptions and estimates for the determination or the measurement and recognition criteria for assets retired from active use. Due to the materiality in the context of the Balance Sheet of the Group and the level of judgement and estimates required, we consider this to be as area of significance.

*(Refer Note No. 2 & 3 to the Consolidated Financial Statements)*

We assessed the controls in place over the fixed asset cycle, evaluated the appropriateness of capitalisation process, performed tests of details on costs capitalised, the timeliness of the capitalisation of the assets and the de-recognition criteria for assets retired from active use.

In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realizable value of the assets retired from active use; the appropriateness of assets lives applied in the calculation of depreciation; the useful lives of assets prescribed in Schedule II to the Act and the useful lives of certain assets as per the technical assessment of the management. We observed that the management has regularly reviewed the aforesaid judgements and there are no material changes.

**Provision for Direct Taxes**

The Group has uncertain direct tax positions including matters under dispute which involves significant judgment relating to the possible outcome of these disputes in estimation of the provision for income tax. Because of the judgement required, this area is considered as a key audit matter.

*(Refer Note No. 7 to the Consolidated Financial Statements)*

Our audit procedures involved assessment of the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes taking into account the legal precedence, jurisprudence and other rulings in evaluating management's position on these uncertain direct tax positions. We have also assessed the disclosures made by the company in this regard in consolidated financial statements.

**Provisions, Contingencies and Litigations**

The Group is involved in various taxes and other disputes for which final outcome cannot be easily predicted and which could potentially result in significant liabilities. The assessment of the risks associated with the litigations is based on complex assumptions, which require the use of judgement and such judgement relates, primarily, to the assessment of the uncertainties connected to the prediction of the outcome of the proceedings and to the adequacy of the disclosures in the standalone financial statements. Because of the judgement required, the materiality of such litigations and the complexity of the assessment process, this area is considered as a key audit matter.

*(Refer Note No. 18, 37B & 48.6 to the Consolidated Financial Statements)*

Our audit procedures in response to this Key Audit Matter included, among others,

- Assessment of the process and relevant controls implemented to identify legal and tax litigations and pending administrative proceedings.
- Assessment of assumptions used in the evaluation of potential legal and tax risks performed by the legal and tax department of the Company considering the legal precedence and other rulings in similar cases.
- Inquiry with the legal and tax departments regarding the status of the most significant disputes and inspection of the key relevant documentation.
- Analysis of opinion received from the experts wherever available.
- Review of the adequacy of the disclosures in the notes to the consolidated financial statements.

**Investments in Joint Ventures and Associates**

Investments in Joint ventures and associates which are valued at cost have been adjusted for impairment losses in line with "Ind AS 36 Impairment of assets". In case there is an indication of possible impairment, the Company carries out an impairment test by comparing the recoverable amount of the investments determined according to the value in use method and their carrying amount. The valuation process adopted by management is complex and is based on a series of assumptions, such as the forecast cash flows, the appropriate discounting rate and the growth rate. These assumptions are, by nature, influenced by future expectations regarding the evolution of external market.

With reference to this key audit matter, we considered the following:

- Comparing the carrying amount of investments with financial statements of investee companies to identify whether their net assets value, being an approximation of their minimum recoverable amount, were in excess of their carrying amount.
- Market capitalization in case of listed entities in which investments have been made.
- Certain entities where carrying value of Investments is less than the Net Assets Value due to being in the construction stage and have not begun commercial operations.

**Key Audit Matters**

Since judgement of the management is required to determine whether there is indication of possible impairment and considering the subjectivity of the estimates relating to the determination of the cash flows and the key assumptions of the impairment test, the area is considered as a key audit matter.

*(Refer Note No. 4 to the Consolidated Financial Statements)*

**Auditors' response to Key Audit Matters**

Based on the information and explanations obtained as above, we concluded that the Management's judgement regarding indication of impairment in certain investments during the year is appropriate. Where there is indication of impairment, we examined the approach taken by management to determine the value of the investments, analysed the methods and assumptions applied by management to carry out the impairment test and the reports obtained from the experts in valuation.

The following audit procedures were adopted:

- identification and understanding of the significant controls implemented by the Company over the impairment testing process; analysis of the reasonableness of the principal assumptions made to estimate their cash flows and obtaining other information from management that we deemed to be significant.
- analysis of actual data of the year and previous years in comparison with the original plan, in order to assess the nature of variances and the reliability of the planning process.
- assessment of the reasonableness of the discount rate and growth rate.
- Verification of the mathematical accuracy of the model used to determine the value in use of the investments.

We also examined the adequacy of the information provided by the Company about the impairment test and its consistency with the requirements of Ind AS 36.

**Information Other than the Consolidated Financial Statements and Auditors' Report Thereon**

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Financial Performance highlights, Board's Report including Annexures to Board's Report, Management Discussions and Analysis, Business Responsibility Report, Report on Corporate Governance, Shareholders Information and other information in Integrated Annual Report but does not include the consolidated financial statements and our auditors' report thereon.

The above referred information is expected to be made available to us after the date of this audit report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and identified above when it becomes available, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the auditor otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

If, based on the work we have performed, and report of the other auditors as furnished to us (refer paragraphs 2 and 3 of other matter para below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining other information, which we will obtain after the date of auditors' report and if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, total comprehensive income, consolidated Statement of Changes in Equity and consolidated Statement of Cash Flows of the Group, its Joint Ventures and Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group, of its Joint Ventures and Associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its Joint Ventures and Associates for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group, its Joint Ventures and Associates are responsible for assessing the ability of the Group, its Joint Ventures and Associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group, its Joint Ventures, and Associates, are responsible for overseeing the financial reporting process of the Group, its Joint Ventures and Associates.

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group, its Joint Ventures and Associates which are companies incorporated in India, has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, its Joint Ventures, and Associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group, its Joint Ventures and Associates controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its Joint Ventures, and Associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors' Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

1. The consolidated financial statements include the Holding Company's proportionate share (relating to Jointly controlled operations of E&P activities, wherein the company is not an operator) in assets **₹1023.46** Crore and liabilities **₹298.28** Crore as at March 31, 2025 and total income of **₹262.94** Crore and profit before tax of **₹28.04** Crore for the year ended on that date and in items of the statement of cash flow and related disclosures contained in the enclosed standalone financial statements. Our observations thereon are based on unaudited statements from the operators to the extent available with the Company in respect of 24 Blocks (out of which 7 Blocks are relinquished) in India and overseas and have been certified by the management. Our opinion in respect thereof is solely based on the management certified information. According to the information and explanations given to us by the Company's management, these are not material to the Group.
2. We did not audit the financial statements of **9 subsidiaries** included in the consolidated financial statements, whose financial statements reflect total assets of **₹41,814.31** Crores as at March 31, 2025, total income of **₹85,091.76** Crores and net cash outflows amounting to **₹407.31** Crores for the year ended on that date. The consolidated financial statements also include the Group's share of net profit of **₹640.09** Crores for the year ended March 31, 2025 in respect of **19 joint ventures** and **2 associate**, whose financial statements / financial information have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, is based solely on the reports of other auditors and procedures performed under the para Auditors' Responsibilities for the Audit of the Consolidated Financial Statements above.
3. The consolidated financial statements include **2 subsidiaries** whose financial statements reflect total assets of **₹2,969.88** Crores as at March 31, 2025, total income of **₹349.60** Crores and net cash inflows amounting to **₹35.00** Crores for the year ended on that date. The consolidated financial statements also include the Group's share of net profit of **₹288.20** crore for the year ended March 31, 2025 in respect of **8 joint ventures**. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, is based solely on such unaudited financial statements / financial information as furnished to us by the Management. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information is not material to the Group.

The consolidated audited financial statements also include the Group's share of total net profit of **₹502.71** crore for year ended March 31, 2025 as considered in the consolidated audited financial Statements, in respect of 1 Associate, based on their interim financial information, which have not been audited by their auditors and is as informed by the management of the Associate.

4. Certain of these subsidiaries and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and joint ventures located outside India from the accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. These converted financial statements have been certified by Chartered Accountants in India appointed by the Company for the specific purpose and have been relied upon by us. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and joint ventures located outside India is based on the reports of other Chartered Accountants as mentioned above.
5. These Consolidated Financial Statements for the year ended March 31, 2025 doesn't include the financial statements / information in respect of 3 Joint Ventures and 1 Associates having regard to the fact that these Joint Ventures / Associate are under liquidation / closure and the same are not material to the Group.
6. The Consolidated Financial Statements of the Company for the year ended March 31, 2024 were jointly audited by M/s. Khandelwal Jain & Co., M/s. K G Somani & Co LLP, M/s. Komandoor & Co LLP and M/s. S R B & Associates, and they had expressed an unmodified opinion on Consolidated Financial Statements vide their report dated April 30, 2024.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, joint ventures and associates, as noted in "Other Matters" paragraph above, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors/chartered accountants.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - e) On the basis of the reports of the statutory auditors of subsidiaries and joint ventures and associates incorporated in India, none of the directors of joint ventures and associates incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act. We are informed that the provisions of Section 164(2) of the Act are not applicable to the Holding Company and its subsidiary companies incorporated in India being Government companies in terms of notification no. G.S.R.463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, joint ventures, and associates incorporated in India and the operating effectiveness of such controls, refer to our separate report in "**Annexure 1**".
  - g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

We are informed that the provisions of section 197 read with Schedule V of the Act, relating to managerial remuneration are not applicable to the Holding Company and its subsidiaries incorporated in India, being Government Companies in terms of Ministry of Corporate Affairs Notification no G.S.R. 463(E) dated 5th June, 2015. On the basis of the reports of the statutory auditors of the Joint Ventures and Associates incorporated in India, the remuneration paid by the Joint Ventures and Associates to its directors during the current year is in accordance with the Section 197 of the Act and the remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on the financial statements of the subsidiary companies, joint ventures and associates and management certified financial statements, as noted in other matter paragraph:
  - i. The consolidated financial statements disclosed the impact of pending litigations on the consolidated financial position of the Group, its joint ventures, and associates (Refer Note 37B and 48.6 to the consolidated financial statements).
  - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts. Refer Note 18 to the consolidated financial statements.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies, joint ventures and associates incorporated in India, during the year ended March 31, 2025.
  - iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly



lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement
- v. As stated in Note 31 to the Consolidated financial statements:
  - a) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in compliance with section 123 of the Act to the extent it applies to payment of dividends.
  - b) The Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. Based on our examination, which included test checks, and that performed by the respective auditors of the subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the company, subsidiaries, associates and joint ventures have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries, associates and joint ventures did not come across any instance of audit trail feature being tampered with.

Particulars	No. of Instances
(a) Instances of accounting software for maintaining its books of account which did not had a feature of recording audit trail (edit log) facility and the same was not operated throughout the year for all relevant transactions recorded in the software	Nil
(b) Instances of audit trail feature being tampered with or inability to comment in respect thereof	1 Joint Venture

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding company and by the respective auditors of the subsidiaries, associates and joint ventures, we report:

S. No	Name	CIN	Holding/Subsidiary/ Associate/Joint Venture	Clause no. of the CARO report which is qualified or Adverse
1	IndianOil Corporation Ltd	L23201MH1959GOI011388	Holding Company	Clause ix (d) Clause xi (a)
2	Cauvery Basin Refinery and Petrochemicals Limited	U23200TN2023PLC158051	Joint Venture	Clause xvii Clause xix
3	IHB Limited	U60230GJ2019PLC109127	Joint Venture	Clause xi (a) Clause xvii
4	IndianOil Skytanking Private Limited	U11202KA2006PTC040251	Joint Venture	Clause vii (b)
5	IOC GPS Renewables Private Limited	U35201DL2024PTC433075	Joint Venture	Clause xvii

S. No	Name	CIN	Holding/Subsidiary/ Associate/Joint Venture	Clause no. of the CARO report which is qualified or Adverse
6	Chennai Petroleum Corporation Limited	L40101TN1965GOI005389	Subsidiary	Clause xi (a)
7	IOC Phinergy Private Limited	U31109DL2021PTC377250	Joint Venture	Clause xvii
8	Petronet VK Limited	U23200GJ1998PLC034144	Associate	Clause xvii Clause xix
9	IOSL Noida Private Limited	U74999UP2021PTC157474	Subsidiary of Joint Venture	Clause ix (a)
10	National Aromatics and Petrochemicals Corporation Limited	U11101TN1989PLC017403	Joint Venture of Subsidiary	Clause i(c) Clause xvii Clause xix
11	Indian Additives Limited	U24294TN1989PLC017705	Joint Venture of Subsidiary	Clause vii (b) Clause xi (c)
12	Ratnagiri Refinery And Petrochemicals Limited	U23200MH2017PLC300014	Joint Venture	Clause xvii
13	Terra Clean Limited	U35107DL2024GOI432137	Subsidiary	Clause xvii

In respect of the following companies included in the consolidated financial statements of the Company, whose Audit under Section 143 of the Act has not yet completed, the CARO as applicable in respect of this component is not available.

S. No	Name of the Company	CIN	Relationship
1	Petronet LNG Limited	L74899DL1998PLC093073	Associate
2	GSPL India Transco Ltd (GITL)	U40200GJ2011SGC067450	Joint Venture
3	GSPL India Gasnet Ltd (GIGL)	U40200GJ2011SGC067449	Joint Venture
4	Hindustan Urvark & Rasayan Ltd.	U24100DL2016CPL358399	Joint Venture
5	Paradeep Plastic Park Limited	U241000R2013SGC016970	Joint Venture
6	IndianOil NTPC Green Energy Private Limited	U42201DL2023PTC415225	Joint Venture
7	Indofast Swap Energy Private Limited	U35109DL2024PTC434149	Joint Venture
8	Indradhanush Gas Grid Limited	U40300AS2018GOI018660	Joint Venture
9	IOC Global Capital Management IFSC Limited	U64990GJ2023GOI141266	Subsidiary

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**Sd/-****Narendra Khandal**

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**Sd/-****Nagendranadh Tadikonda**

Partner

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**Place:** New Delhi**Date:** 30<sup>th</sup> April 2025



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## Annexure 1 to the Independent Auditors' Report

**On the Consolidated Financial Statements of even date to the Members of Indian Oil Corporation Limited for the year ended March 31, 2025**

**(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements')**

### **Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025 we have audited the internal financial controls with reference to financial statements of Indian Oil Corporation Limited (hereinafter referred to as "Holding Company") and its subsidiary companies (collectively referred to as "the Group") joint ventures and associates, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company, its subsidiary companies, joint ventures and associates which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company, its subsidiaries, joint ventures and associates which are companies incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, joint ventures, and associates which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and audit evidence obtained by other auditors in term of their reports is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries, its joint ventures and associates, which are companies incorporated in India.

#### **Meaning of Internal Financial Controls with reference to financial statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statement includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect

the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion the Holding Company, its subsidiary companies, joint ventures and associates which are incorporated in India, have, in all material respects, an adequate internal financial controls with reference to financial statements reporting and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### Other Matter

Our aforesaid reports under section 143(3) of the Act on the adequacy and operating effectiveness of the internal financial control with reference to financial statements insofar as it relates to 3 subsidiaries, 21 joint ventures and associates which are companies incorporated in India, is based on the corresponding standalone / consolidated reports of the auditors, as applicable, of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

#### For KHANDELWAL JAIN & CO

Chartered Accountants

Firm Regn. No.

105049W

**Sd/-**

**Naveen Jain**

Partner

M. No. 511596

UDIN: 25511596BMIVZO8707

#### For K G SOMANI & CO LLP

Chartered Accountants

Firm Regn. No.

006591N/N500377

**Sd/-**

**Amber Jaiswal**

Partner

M. No. 550715

UDIN: 25550715BMJBVS4528

#### For M K P S & ASSOCIATES LLP

Chartered Accountants

Firm Regn. No.

302014E/W101061

**Sd/-**

**Narendra Khandal**

Partner

M. No. 065025

UDIN: 25065025BMNQPX6619

#### For KOMANDOOR & CO LLP

Chartered Accountants

Firm Regn. No.

001420S/S200034

**Sd/-**

**Nagendranadh Tadikonda**

Partner

M. No. 226246

UDIN: 25226246BMIGKC8159

**Place:** New Delhi

**Date:** 30<sup>th</sup> April 2025