



ANNUAL
REPORT
2007-08

Energising Rural India



Indian Oil Corporation Limited



Energising Rural India

As India's flagship national oil company in the downstream sector, IndianOil reaches precious petroleum products to every nook and corner of the nation...keeping the wheels of progress moving for everyone...bringing the assurance of a better life to people even in remote settlements. The Corporation's *Kisan Seva Kendras* are designed to make available fuels and many items of everyday use to the farmers and people in the rural areas. The cover theme reflects IndianOil's commitment to energising rural India.

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Indian Oil Corporation Limited

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

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

Indian Oil Corporation Limited
 Regd. Office: IndianOil Bhavan,
 G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai - 400 051

NOTICE

NOTICE is hereby given that the **49th Annual General Meeting** of the Members of **INDIAN OIL CORPORATION LIMITED** will be held at **Ravindra Natya Mandir, Sayani Road, Prabhadevi, Mumbai-400 025** on **Friday, the 19th September, 2008** at **1030 hrs.** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March, 2008 and the Balance Sheet as on that date together with Reports of the Directors and the Auditors thereon.
2. To declare the dividend for the year 2007-08.
3. To appoint a Director in place of Shri V.C.Agrawal, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri G.C.Daga, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Shri P.K.Sinha, who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS

6. Appointment of Shri Anees Noorani as a Director of the Company.

To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Anees Noorani, who was appointed as an Additional Director by the Board of Directors effective 1st June, 2008 and who holds office up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

7. Appointment of Dr.(Smt.) Indu Shahani as a Director of the Company.

To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Dr.(Smt.) Indu Shahani, who was appointed as an Additional Director by the Board of Directors effective 1st June, 2008 and who holds office up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

8. Appointment of Prof. Gautam Barua as a Director of the Company.

To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Prof. Gautam Barua, who was appointed as an Additional Director by the Board of Directors effective 1st June, 2008 and who holds office up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

9. Appointment of Shri Michael Bastian as a Director of the Company.

To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Michael Bastian, who was appointed as an Additional Director by the Board of Directors effective 1st June, 2008 and who holds office up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

10. Appointment of Shri N.K.Poddar as a Director of the Company.

To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri N.K.Poddar, who was appointed as an Additional Director by the Board of Directors effective 1st June, 2008 and who holds office up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Registered Office:

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

By Order of the Board of Directors


(RAJU RANGANATHAN)
 Company Secretary

14th August, 2008



NOTES

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID AND EFFECTIVE MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- (b) Explanatory Statement prepared in pursuance of Section 173 of the Companies Act, 1956 in respect of Special Business is annexed.
- (c) Members/Proxies should bring the attendance slip duly filled and signed for attending the meeting.
- (d) All documents referred to in the accompanying notice are open for inspection at the registered office of the Company on all working days, except Saturdays & Holidays, between 1030 hours to 1230 hours up to the date of Annual General Meeting.
- (e) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 11th September, 2008 to Friday, the 19th September, 2008 (both days inclusive) for the purpose of ascertaining the eligibility for payment of dividend.
- (f) The dividend payable on Equity Shares, if approved by the members, will be paid to those members whose names appear on the Company's Register of members and as per beneficial owners position received from NSDL & CDSL as at the close of 10th September, 2008.
- (g) Pursuant to the provisions of section 205(A) of the Companies Act, 1956, the Company has transferred all unpaid dividend declared up to the financial year 1999-2000 to Investor Education & Protection Fund (IEPF) set up by Central Government. The Company is in the process of transferring the unpaid dividend for the financial year 2000-01 in October, 2008. The dividend for the financial year 2001-02 and thereafter, which remains unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government. The Shareholders who have not encashed their dividend warrant/s so far for the financial year 2001-02 to 2006-07 are requested to make their claims to the Registrar & Transfer Agent, M/s. Karvy Computershare Private Limited, Hyderabad or at the registered office of the Company. **It may also be noted that once the unclaimed dividend is transferred to the IEPF, Central Government, as above, no claim shall lie in respect thereof.**

Similarly, the dividend declared by erstwhile IBP Co.Ltd. (since merged with IndianOil) for the financial years 2001-02 to 2005-06 remaining unpaid will be transferred to IEPF on expiry of 7 year period. The Shareholders of erstwhile IBP Co.Ltd. who have not encashed their dividend warrants so far are requested to make their claims to the Registrar & Transfer Agents, M/s.Karvy Computershare Private Limited, Hyderabad or at the registered office of the Company.

- (h) Members are requested to bring their copy of Annual Report to the Meeting.
- (i) Shareholders holding shares in electronic form may kindly note that their Address and Bank Account details as furnished by their Depositories to the Company will be printed on their Dividend Warrants as per the applicable regulations of the Depositories. The Company will not entertain any direct request from such shareholders for change in Address / Bank Details. The shareholders who wish to change their Address / Bank Account details are therefore requested to advise their Depository Participants about such change.
- (j) Shareholders holding shares in physical form are requested to advise about any change of address/Bank Account Number to the Company or its Registrar.
- (k) The shares of IndianOil are compulsorily traded in dematerialised form and, therefore, the shareholders are requested to dematerialise their shares to facilitate trading in IndianOil shares.
- (l) As per the provisions of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them. In case of shares held in physical form, nomination form can be obtained from the registered office of the Company or from its Registrar & Transfer Agent, M/s.Karvy Computershare Private Limited. The shareholders holding shares in demat form may contact their Depository Participant for nomination.

Pursuant to the requirements of Corporate Governance, a brief resume of Directors who are retiring and are eligible for reappointment, is given below:-

Item Nos.

- (3) Shri V.C.Agrawal, aged 58 years and presently Director(HR) w.e.f. 1st August, 2005, is an alumnus of IIT, Roorkee and holds a Masters Degree in Electrical Power from M.S.University, Vadodara. Shri Agrawal has over three decades of rich and varied experience in the oil sector and has worked in different capacities in Technical and HR functions of the Company. Shri Agrawal has presented several papers on management related topics in national and international forums.

Details of other Directorships:

Name of the Company	Position held
Chennai Petroleum Corporation Limited	Director
Membership/Chairmanship in the Committees of other companies:	NIL
No. of Shares held in the Company:	1800
Relationship between directors inter-se	NIL

- (4) Shri G.C.Daga, aged 57 years, is a Chartered Accountant and has over three decades of rich and varied experience handling various key portfolios in IndianOil, like International Trade, Finance, Consumer Sales, LPG, Aviation, etc. Before taking over as Director (Marketing) effective 4th Sept. 2006, he had a two year stint in Steel Authority of India Ltd. as Director (Finance). Widely travelled, Shri Daga has presented several papers in national and international seminars and conferences.

Details of other Directorships:

Name of the Company	Position held
IndianOil (Mauritius) Ltd.	Chairman
IndianOil Petronas Pvt. Ltd.	Chairman
IndianOil Skytanking Ltd.	Chairman
Indian Oiltanking Ltd.	Director
Membership/Chairmanship in the Committees of other companies:	NIL
No. of Shares held in the Company:	1600
Relationship between directors inter-se	NIL

- (5) Shri P.K.Sinha, aged 53 years is a post graduate from Delhi School of Economics and an IAS officer of U.P. cadre. Shri Sinha also holds an M.Phil in Social Sciences and a Masters Diploma in Public Administration. Shri Sinha has served both in the Central and State Governments, including as District Magistrate of Jaunpur and Agra Districts. Shri Sinha has also served in the Ministry of Power, Department of Youth Affairs and Sports in the Central Government before joining the Ministry of Petroleum & Natural Gas. Presently, he is Addl. Secretary & Financial Advisor in the Ministry of Petroleum & Natural Gas.

Details of other Directorships:

Name of the Company	Position held
Bharat Petroleum Corporation Ltd.	Director
Hindustan Petroleum Corporation Ltd.	Director
Membership/Chairmanship in the Committees of other Companies:	NIL
No. of Shares held in the Company:	NIL
Relationship between directors inter-se	NIL

EXPLANATORY STATEMENT IN PURSUANCE OF SECTION 173 OF THE COMPANIES ACT, 1956.

Item No. 6

Shri Anees Noorani was appointed as an Additional Director w.e.f. 1st June, 2008 by the Board of Directors, pursuant to Article 94(l) of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 and holds office up to the date of this Annual General Meeting.

Shri Anees Noorani, aged 57 years, is a Commerce Graduate and has completed the Advanced Business Programme from Harvard Business School, Boston, U.S.A. He joined the House of ZODIAC in 1969 and after successfully developing its export business and scaling up its overall operations became Managing Director of the organisation in 1980. Currently, he is responsible for overseeing the management of the organisation, Corporate Affairs and Finance functions.

Details of other Directorships:

Name of the Company	Position held
Zodiac Clothing Co.Ltd.	Vice Chairman & Managing Director
Multiplex Collapsible Tubes Ltd.	Director
Metropolitan Trading Co. (India) Ltd.	Director
Zodiac Pvt.Ltd.	Director



IndianOil

Zodiac Containers Pvt. Ltd.
 Algilani Holdings Pvt. Ltd.
 Miraj Marketing Co. Pvt. Ltd.
 Elite Clothing Company Pvt. Ltd.
 Techno Crest Pvt. Ltd.
 Zodiac (UAE) LLC
 Zodiac Clothing Co. (UAE) LLC
 Euro Global Holdings Pte. Ltd.
 Asia Tangible Investments Pte. Ltd.

Director
 Director
 Director
 Director
 Director
 Director
 Director
 Director

Membership/Chairmanship in the Committees of other Companies:

Name of the Committee	Position held
Shareholders'/Investors' Grievance Committee of Zodiac Clothing Company Ltd.	Member
No. of Shares held in the Company:	NIL
Relationship between directors inter-se	NIL

In terms of Section 257 of the Companies Act, 1956, the Company has received a notice in writing from a member signifying his intention to propose Shri Anees Noorani as a candidate for the office of Director.

The Directors, therefore, recommend the Ordinary Resolution. None of the Directors of the Company except Shri Anees Noorani is interested or concerned in the resolution.

Item No. 7

Dr.(Smt.) Indu Shahani was appointed as an Additional Director w.e.f. 1st June, 2008 by the Board of Directors, pursuant to Article 94(l) of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 and holds office up to the date of this Annual General Meeting.

Dr.(Smt.) Indu Shahani, aged 57 years, is a Ph.D. in Commerce. She is the Principal of the reputed H.R.College of Commerce & Economics in South Mumbai since 2000. She is also currently the Sheriff of Mumbai. She has a teaching experience of 31 years.

Details of other Directorships:

Name of the Company	Position held
Bajaj Electricals Ltd.	Director
Eureka Forbes Ltd.	Director

Membership/Chairmanship in the Committees of other Companies:

Name of the Committee	Position held
Audit Committee of Bajaj Electricals Ltd	Member
No. of Shares held in the Company:	NIL
Relationship between directors inter-se	NIL

In terms of Section 257 of the Companies Act, 1956, the Company has received a notice in writing from a member signifying his intention to propose Dr.(Smt.) Indu Shahani as a candidate for the office of Director.

The Directors, therefore, recommend the Ordinary Resolution. None of the Directors of the Company except Dr.(Smt.) Indu Shahani is interested or concerned in the resolution.

Item No. 8

Prof.Gautam Barua was appointed as an Additional Director w.e.f. 1st June, 2008 by the Board of Directors, pursuant to Article 94(l) of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 and holds office up to the date of this Annual General Meeting.

Prof.Gautam Barua, aged 54 years, is a B.Tech and M.Tech from IIT Bombay and has a Ph.D. from the University of California, Santa Barbara, U.S.A. He is currently Director of IIT, Guwahati and also Heads the Deptt. of Computer Science & Engineering. Before joining IIT Guwahati in 1995, he was a faculty Member of the CSE Department of IIT Kanpur. He has many publications to his credit.

Details of other Directorships:

Name of the Company	Position held
North Eastern Electric Power Corpn.Ltd. (NEEPCO).	Director
Dredging Corporation of India Ltd.	Director
Assam Hospitals Ltd.	Director

Membership/Chairmanship in the Committees of other Companies:

No. of Shares held in the Company:	NIL
Relationship between directors inter-se	NIL

In terms of Section 257 of the Companies Act, 1956, the Company has received a notice in writing from a member signifying his intention to propose Prof.Gautam Barua as a candidate for the office of Director.

The Directors, therefore, recommend the Ordinary Resolution. None of the Directors of the Company except Prof. Gautam Barua is interested or concerned in the resolution.

Item No. 9

Shri Michael Bastian was appointed as an Additional Director w.e.f. 1st June, 2008 by the Board of Directors, pursuant to Article 94(I) of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 and holds office up to the date of this Annual General Meeting.

Shri Michael Bastian, aged 63 years, is a Chartered Accountant by profession with over three decades of banking experience in various managerial capacities culminating as Chairman & Managing Director of Syndicate Bank from 2002 to 2004. Prior to heading Syndicate Bank, he was Executive Director, Vijaya Bank from Feb. 2000 to 2002 during which period, he officiated as CMD for a period of 7 months. He also held various key assignments, including International Operations, Treasury & Investment, Merchant Banking and HR Management.

Details of other Directorships:

Name of the Company	Position held
Elder Pharmaceuticals Ltd.	Director
Orient Paper & Industries Ltd.	Director
Hindustan Copper Ltd.	Director
Artson Engineering Ltd.	Special Director
National Textiles Corpn. Ltd.	Special Director

Membership/Chairmanship in the Committees of other Companies:

Name of the Company	Position held
Audit Committee of Orient Paper & Industries Ltd.	Member
Audit Committee of Elder Pharmaceuticals Ltd.	Member
Audit Committee of Artson Engineering Ltd.	Member
Audit Committee of Hindustan Copper Ltd.	Chairman
No. of Shares held in the Company:	NIL
Relationship between directors inter-se	NIL

In terms of Section 257 of the Companies Act, 1956, the Company has received a notice in writing from a member signifying his intention to propose Shri Michael Bastian as a candidate for the office of Director.

The Directors, therefore, recommend the Ordinary Resolution. None of the Directors of the Company except Shri Michael Bastian is interested or concerned in the resolution.

Item No. 10

Shri N.K. Poddar, was appointed as an Additional Director w.e.f. 1st June, 2008 by the Board of Directors, pursuant to Article 94(I) of the Articles of Association of the Company and Section 260 of the Companies Act, 1956 and holds office up to the date of this Annual General Meeting.

Shri N.K. Poddar, aged 61 years, is a Fellow Member of Institute of Chartered Accountants and Institute of Cost and Works Accountants of India. He is also a Law Graduate from the University of Calcutta. He is currently a Senior Advocate practicing in Kolkata and specializes on Direct Taxes, Corporate Laws and Foreign Exchange regulations.

Details of other Directorships:	NIL
Membership/Chairmanship in the Committees of other Companies:	NIL
No. of Shares held in the Company:	NIL
Relationship between directors inter-se	NIL

In terms of Section 257 of the Companies Act, 1956, the Company has received a notice in writing from a member signifying his intention to propose Shri N.K. Poddar as a candidate for the office of Director.

The Directors, therefore, recommend the Ordinary Resolution. None of the Directors of the Company except Shri N.K. Poddar is interested or concerned in the resolution.

Registered Office:

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

By Order of the Board of Directors


(RAJU RANGANATHAN)
Company Secretary

14th August, 2008



Indian Oil Corporation Limited

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

ATTENDANCE CARD

Client ID No./Folio No.	
No. of Shares held	

I/We hereby record my/our presence at the **49th Annual General Meeting** of the Company on **Friday**, the **19th September, 2008** at **1030 hrs.** at **Ravindra Natya Mandir, Sayani Road, Prabhadevi, Mumbai - 400 025.**

Name of the Shareholder _____

Signature of the Shareholder _____

Name of the Proxy _____

Signature of the Proxy _____

NOTES

1. You are requested to sign and hand this over at the entrance.
2. If you are attending the meeting in person or by proxy, your copy of the Annual Report may please be brought by you/your proxy for reference at the meeting.

TEAR HERE



Indian Oil Corporation Limited

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

FORM OF PROXY

Client ID No./Folio No.	
No. of Shares held	

I/We of
in the district ofbeing a member/members of the abovenamed Company hereby appoint.....
of in the district ofas my/our proxy to vote for me/us on my/our behalf at the
49th Annual General Meeting of the Company to be held on **19th September, 2008** and at any adjournment thereof.

Signed this day of 2008.

Please Affix
Revenue
Stamp

Signature

NOTE: This Proxy Form duly filled in must be deposited at the Registered Office of the Company at IndianOil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai-400 051 not less than 48 hours before the commencement of the meeting.

Values

IndianOil nurtures the core values of *Care, Innovation, Passion & Trust* across the organisation in order to deliver value to its stakeholders.

Care stands for

- > Concern
- > Empathy
- > Understanding
- > Cooperation
- > Empowerment

Innovation stands for

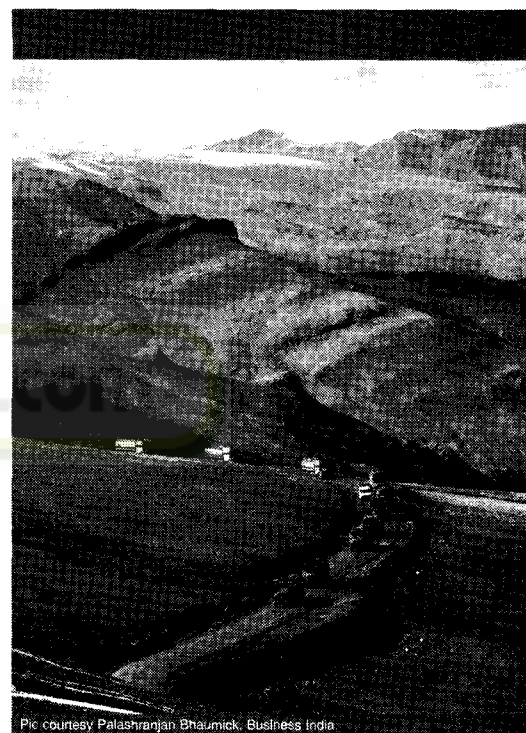
- > Creativity
- > Ability to learn
- > Flexibility
- > Change

Passion stands for

- > Commitment
- > Dedication
- > Pride
- > Inspiration
- > Ownership
- > Zeal & zest

Trust stands for

- > Delivered promises
- > Reliability
- > Dependability
- > Integrity
- > Truthfulness
- > Transparency



Bringing energy to life... en route to Tanglangla Pass in Ladakh.