Claims:

1. A demulsification additive composition, wherein the composition consists of:
   (a) at least one demulsifier (the component (a)) comprising oxyalkylated alkyl phenol formaldehyde polymer, co-polymer or resin, or oxyalkylated condensation product of at least one alkyl phenol and formaldehyde;
   (b) a compound selected from the group consisting of glyoxal, neutralized glyoxal, ethylene glycol derivative of glyoxal, and a mixture thereof (the component (b)); and
   (c) phosphoric acid (the component (c));
   wherein the demulsifier (component (a)) comprises 50% active nonylphenol formaldehyde ethoxylate resin or a base catalysed nonylphenol formaldehyde resin;
   wherein the glyoxal (component (b)) is neutralized with triethanol amine (TEA);
   wherein the composition does not comprise:
   (i) glycolic acid;
   (ii) glyoxylic Acid;
   (iii) citric acid; and
   (iv) maleic anhydride.
2. The demulsification additive composition as claimed in **claim 1**, wherein the neutralized glyoxal is glyoxal having pH neutral to basic varying from about 7 to about 12.
3. The demulsification additive composition as claimed in **claim 1 or 2**, wherein the composition comprises:
   a) the component (a) in an amount varying from about 99.1 % to about 0.1 % by weight of the total composition;
   b) the component (b) in an amount varying from about 0.1 % to about 99.1 % by weight of the total composition; and
   c) the component (c) in an amount varying from about 0.1 % to about 99.1 % by weight of the total composition,
   depending upon the nature of the water-in-oil emulsion to be treated.
4. The demulsification additive composition as claimed in any one of **claims 1 to 3**, wherein the molecular weight of the demulsifier varies from about 1000 to about

20000 daltons as measured by Gel Permeation Chromatography (GPC) using the tetrahydro furan (THF) as solvent.

5. A method of demulsification of water-in-oil emulsions comprising a step of treating the water-in-oil emulsion with a demulsification additive composition, wherein the demulsification additive composition comprises:

(a) at least one demulsifier (the component (a)) comprising oxyalkylated alkyl phenol formaldehyde polymer, or a co-polymer, a resin, or an oxyalkylated condensation product of at least one alkyl phenol and formaldehyde;

(b) a compound comprising glyoxal, neutralized glyoxal, ethylene glycol derivative of glyoxal, or a mixture thereof (the component (b)); and

(c) further comprises a phosphoric acid (the component (c)).

6. The method as claimed in **claim 5**, wherein the neutralized glyoxal is glyoxal having pH neutral to basic varying from about 7 to about 12.

7. The method as claimed in **claim 5 or 6**, wherein the demulsifier comprises oxyalkylated condensation product of:

i) nonyl phenol and amyl phenol, and formaldehyde;

ii) nonyl phenol and butyl phenol, and formaldehyde;

iii) nonyl phenol and formaldehyde;

iv) amyl phenol and formaldehyde;

v) butyl phenol and formaldehyde;

vi) alkyl phenol and formaldehyde; or

vii) a mixture thereof.

8. The method as claimed in any one of **claims 5 to 7**, wherein the demulsifier comprises oxyalkylated condensation product of:

i) cardanol, nonyl phenol and amyl phenol, and formaldehyde;

ii) cardanol, nonyl phenol and butyl phenol, and formaldehyde;

iii) cardanol, nonyl phenol and formaldehyde;

iv) cardanol, amyl phenol and formaldehyde;

v) cardanol, butyl phenol and formaldehyde;

vi) cardanol, alkyl phenol and formaldehyde; or

vii) a mixture thereof.

9. The method as claimed in any one of **claims 5 to 8**, wherein the said oxyalkylated comprises derivative of ethylene oxide, propylene oxide, or mixture thereof.

10. The method as claimed in any one of **claims 5 to 9**, wherein the demulsifier comprises:

i) oxyalkylated nonyl phenol and amyl phenol formaldehyde copolymers;

ii) oxyalkylated nonyl phenol and butyl phenol formaldehyde copolymers;

iii) oxyalkylated nonyl phenol formaldehyde polymers;

iv) oxyalkylated amyl phenol formaldehyde polymers;

v) oxyalkylated butyl phenol formaldehyde polymers;

vi) oxyalkylated alkyl phenol formaldehyde polymers; or

vii) a mixture thereof.

11. The method as claimed in as claimed in any one of **claims 5 to 10**, wherein the demulsifier comprises:

i) oxyalkylated cardanol, nonyl phenol and amyl phenol, and formaldehyde copolymers;

ii) oxyalkylated cardanol, nonyl phenol and butyl phenol, and formaldehyde copolymers;

iii) oxyalkylated cardanol, nonyl phenol and formaldehyde polymers;

iv) oxyalkylated cardanol, amyl phenol and formaldehyde polymers;

v) oxyalkylated cardanol, butyl phenol and formaldehyde polymers;

vi) oxyalkylated cardanol, alkyl phenol and formaldehyde polymers; or

vii) a mixture thereof.

12. The method as claimed in any one of **claims 5 to 11**, wherein the demulsification additive composition added to the water-in-oil emulsion comprises:

a) the component (a) in an amount varying from about 99.1 % to about 0.1 % by weight of the total demulsification additive composition;

b) the component (b) in an amount varying from about 0.1 % to about 99.1 % by weight of the total demulsification additive composition; and

c) the component (c) in an amount varying from about 0.1 % to about 99.1 % by weight of the total demulsification additive composition,

depending upon the nature of the water-in-oil emulsion to be treated.

13 The method as claimed in any one of **claims 5 to 12**, wherein the molecular weight of the demulsifier varies from about 1000 to about 20000 daltons as measured by Gel Permeation Chromatography (GPC) using the tetrahydro furan (THF) as solvent.

14. The method as claimed in any one of **claims 5 to 13**, wherein the demulsification additive composition does not comprise:

(i) glycolic acid;

(ii) glyoxylic Acid;

(iii) citric acid; and

(iv) maleic anhydride.

15. A method of using a demulsification additive composition for demulsification of a water-in-oil emulsion, wherein demulsification additive composition is added to the water-in-oil emulsion for demulsification thereof, and wherein the demulsification additive composition comprises:

(a) at least one demulsifier (the component (a)) comprising oxyalkylated alkyl phenol formaldehyde polymer, or a co-polymer, a resin, or an oxyalkylated condensation product of at least one alkyl phenol and formaldehyde;

(b) a compound comprising glyoxal, neutralized glyoxal, ethylene glycol derivative of glyoxal, or a mixture thereof (the component (b)); and

(c) further comprises a phosphoric acid (the component (c)).