

Chennai Petroleum Corporation Limited

MINUTES OF THE 46th ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF THE COMPANY HELD AT 02.30 P.M. ON TUESDAY, THE 11th SEPTEMBER 2012 AT KAMARAJ ARANGAM, 492, ANNA SALAI, CHENNAI-600 006

PRESENT

Mr.R.S.Butola, Chairman; Mr.A.S.Basu, Managing Director; Mr.S.Venkataramana, Director (Operations), Ms.D.Lilly, Director (Finance);; Mr.T.S.Ramachandran, Director (Technical); Mr.L.Sabaretnam, Director and also the Chairman of the Audit Committee; Mr.Rajkumar Ghosh, Director; Prof. M.S.Ananth, Director; Mr.Venkatraman Srinivasan, Director; Mr.F.Bahrami, Director and Mr.M.Sankaranarayanan, Company Secretary.

On behalf of Indian Oil Corporation Limited, Mr.Raju Ranganathan, Company Secretary, Indian Oil Corporation Limited, was present.

Mr. Mr.M.H.Ghods, Director represented Naftiran Inter-trade Company Limited.

Apart from the above, 5137 shareholders and 87 proxies attended.

PROCEEDINGS

- I. Chairman welcomed the shareholders and declared that quorum was present.
- II. The Notice convening the meeting was taken as read.
- III. Chairman addressed the shareholders. In his address, he informed that the global economy has been passing through a challenging phase and sovereign debt crisis of Europe, weak recovery in US and slowing of growth in emerging economies made the economic environment quite exigent. He added that the overall global growth slipped to 3.9% in 2011 from 5.3% in 2010, with growth in both advanced

Mut,

and emerging economies slipping to 1.6% and 6.2% from 3.2% and 7.5% respectively in 2010.

Chairman further informed that Indian economy is presently beset with slow growth and high inflation. During 2011-12, GDP growth decelerated significantly to 6.5% from 8.4% in 2010-11. During 2011-12, India's external account was highly stressed, and the Rupee experienced record depreciation against the US \$. Deterioration in fiscal situation due to over shooting of subsidy bill led to higher fiscal deficit.

Chairman further informed that during the year, the oil market was initially hit by political unrest in the oil rich MENA region and subsequently by sanctions of US & EU on Iran and these developments led to spiking of crude oil prices. Owing to the slow down of global economy, growth of oil demand was weak, it rose to 89.1 mb/d in 2011 from 88.3 mb/d in 2010. However, supply fell short of demand resulting in a demand-supply mismatch and putting pressure on crude oil prices.

Chairman added that in the domestic market, the demand for refined petroleum products was buoyant, with growth rate of consumption accelerating to 4.9% in 2011-12 from 2.3% in 2010-11.

Chairman highlighted the Company's performance during 2011-12 and informed that the Corporation achieved highest ever distillate yield, with Manali refinery recording 70.3% and Cauvery Basin Refinery recording 86.64% and the Production of HSD and MS recorded the highest ever production at 3.9 MMT & 1.0 MMT.

Chairman further informed that the Corporation achieved the highest ever turnover of Rs.45,365 crore and the Profit After Tax slipped down to Rs.61.83 crore from

MW,

Rs. 511.52 crore in 2010-11, due to a confluence of a number of unfavorable external factors beyond its control.

Chairman also informed that the Board of Directors were constrained to recommend a lower dividend of Rs. 2 per share representing 20% on the paid-up share capital for the year-ended 31.03.2012.

Chairman informed that the Corporation made an investment of Rs. 490.18 crore against plan projects. He further informed that the Corporation has undertaken an Auto Fuel Quality Upgradation project at an estimated cost of Rs. 2615.69 crore in its Manali Refinery to produce MS/HSD meeting Euro-IV specifications for Chennai and Bangalore and Euro-III equivalent specifications for the rest of the locations. He also informed that the Corporation successfully commissioned a 20" interlink crude oil pipeline between Karaikkal Port and CPCL-CBR's Chidambaranar Oil Jetty.

Chairman also explained the details of projects under implementation namely Revamp of existing CDU / VDU II Unit, Resid upgradation project and 42" crude oil pipeline project and also the new project viz., 6 MMTPA capacity expansion.

Chairman informed that the R&D Centre carried out extensive isomerisation pilot plant studies to successfully develop a model for supporting the commercial ISOM unit. During the year, the R&D centre also entered into research cooperation with Indian Institute of Petroleum (IIP), Dehradun for the development of process for low sulfur fuel oil through extraction route as an alternate to hydro treating which is expensive and complex.

Chairman also highlighted the significant initiatives taken in the areas of environmental protection. He further informed that, the Company received the Confederation of Indian Industry's Environment Excellence Award in Water

meel,

Management as a recognition to its sustained and concentrated efforts in the area of water management and also the prestigious PSE Excellence Award instituted by the Department of Public Enterprises and Indian Chamber of Commerce for the year 2011 for 'Environmental Excellence and Sustainability Development'.

It was informed that the Corporation has a 17.6 MW Wind Power Plant in Tamil Nadu and during the year, 28.9 Million units of Power were generated from this Wind Power Plant. Chairman also informed that as a part of its commitment to green energy initiatives, the Company is solarizing its energy use by setting up of solar street lights and rooftop solar panels at its installations and as a part of its CSR activity, implemented a unique project for providing Solar based Street Lights to the tribal population of Jawadhu Hills, in Tamil Nadu.

Chairman briefly highlighted on the safety and occupational health services

Chairman also briefly touched upon the training programmes aimed at enhancing both the functional competencies and behavioural competencies of the employees at all levels.

It was also informed that during the year, the Corporation spent Rs.372.65 lakhs on various CSR activities as compared to Rs. 368.51 lakhs during the previous year.

While concluding his address, the Chairman thanked the Government of India, particularly the Ministry of Petroleum & Natural Gas, the Government of Tamil Nadu, and various regulatory and statutory authorities for their valuable guidance and support and also the Corporation's bankers, investors, customers, consultants, technology licensors, contractors and vendors for their continued support.

IV. The Auditors' Report was read out by the Company Secretary.

my

ORDINARY BUSINESSES

Chairman invited the Shareholders to seek clarifications and queries, if any, on the Annual Report and Accounts of the Company and replied to the queries so raised.

1. Proposed by Mr.S.Padmanabhan (CLID No. 10308922) and seconded by Mr. S.Raja (CLID No. 11739849), the following ordinary resolution was passed unanimously :

"RESOLVED that the Audited Statement of Profit & Loss Account of the Company for the period from 1st April 2011 to 31st March 2012 and the Audited Balance Sheet as at 31st March 2012 together with the Directors' Report and the Auditors' Report thereon, be and are hereby adopted."

2. Proposed by Mr.V.Ramalingam (CLID No. 1204470005731511) and seconded by Mr. A.Dharmaraj (Folio No. MRL 001416), the following ordinary resolution was passed unanimously:

"RESOLVED to declare a Dividend of Rs.2/- per share representing 20% on the paid-up Equity Share Capital for the year ended 31.03.2012 and to pay the Dividend to those shareholders whose names appear as Members in the Register of Members of the Company as on September 11, 2012 in respect of Shares held in physical form and as beneficial owners in the list furnished by Depositories, in respect of shares held in electronic form."

me!

3. Proposed by Mr.S.Padmanabhan (CLID No. 10308922) and seconded by Mr.K.Panneerselvam (CLID No. 40154652), the following ordinary resolution was passed unanimously:

"RESOLVED that Mr.Venkatraman Srinivasan be and is hereby re-appointed as a Director of the Company."

4. Proposed by Mr.V.Ramalingam (CLID No. 1204470005731511) and seconded by Mr.M.Tamizh Muthalvan (CLID No. 11582206), the following ordinary resolution was passed unanimously:

"RESOLVED that Prof. M.S. Ananth be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESSES

5. Proposed by Mr.K.K.Morarji (CLID No. 60028197) and seconded by Mr.M.Vardan (CLID No. 40972353), the following ordinary resolution was passed unanimously:

"RESOLVED that Mr. Rajkumar Ghosh be and is hereby appointed as a Director of the Company."

6. Proposed by Mr.Narendran (CLID No. 23151431) and seconded by Mr.M.S.Raghunathan (CLID No. 10227412), the following ordinary resolution was passed unanimously:

"RESOLVED that Mr. A.S. Basu be and is hereby appointed as a Director of the Company."

Mei

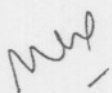
7. Proposed by Mr.K.K.Morarji (CLID No. 60028197) and seconded by Mr.V.Natarajan (Folio No. MRL 001464), the following special resolution was passed unanimously:

“RESOLVED that pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification or any other enactment for the time being in force, and subject to such approvals, consent, permission, sanction as may be necessary from any appropriate authority or body, the following Article of Association of the Company be and is hereby amended by way of addition as under.”

THAT Article 29(A) be and is hereby inserted as follows:

“Notwithstanding any of the provisions of these Articles, the Company shall have the power, subject to and in accordance with the relevant provisions of the Act and other applicable provisions of law, and subject to such approvals, permissions and sanctions, if any, as may be necessary, to purchase, acquire or hold its own shares or other specified securities as defined in the Act, on such terms and conditions and in such manner, and upto such limits as may be prescribed by law from time to time, and make payment out of its free reserves or security premium account of the Company or out of the proceeds of an issue other than fresh issue of shares made specifically for Buy-Back purpose provided that, nothing herein contained shall be deemed to effect the provisions of Sections 100 to 104 and Section 402 of the Act in so far as and to the extent they are applicable.”

11. Chairman thanked the Members present and declared the Meeting closed.



* * * * *