



हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड

(भारत सरकार उपक्रम) रजिस्टर्ड ऑफिस : 17, जमशेदजी टाटा रोड, मुंबई - 400 020.

HINDUSTAN PETROLEUM CORPORATION LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE) REGISTERED OFFICE : 17, JAMSHEDJI TATA ROAD, MUMBAI - 400 020.

17, जमशेदजी टाटा रोड, पोस्ट बॉक्स नं. - 11041, मुंबई - 400 020. दूरभाष - 2286 3900 • फॅक्स - 2287 2992 • तार : हिन्दपेटकॉर, • टेलेक्स - 82414, 85096
17, Jamshedji Tata Road, P. O. Box No. - 11041, Mumbai - 400 020. Tel. : 2286 3900 • Fax : 2287 2992 • Telegram : Hindpetcor • Telex : 82414, 85096
e-mail : corphqo@hpcl.co.in

Ref.: Co.Secy/VM/ 51/2012

March 12, 2012.

Director - Investor Services & Listing
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Script Code : 500104

National Stock Exchange of India
Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051

Sub.: Postal Ballot under Section
192A of the Companies Act,
read with Companies (Passing
of Resolution by Postal Ballot
Rules) 2011

Script Name : HINDPETRO

Dear Sir,

We write with further reference to our letter no. Co.Secy./VM/39/2012 dated February 21, 2012 informing about the proposal for increasing in the borrowing powers of the Board under Section 293 (1) (d) and creation of security on the assets of the Corporation for increased Borrowings under Section 293 (1) (1) (a) of the Companies Act, 1956 and seeking the approval of the shareholders to the said proposal thru the process of Postal Ballot under Section 192 (A) of the Companies Act, 1956.

We are now forwarding herewith the Notice of Postal Ballot along with explanatory statements and Specimen Postal Ballot Form containing the instructions for shareholders for voting for your information and records.

A notice regarding intimation to shareholders about the dispatch of Postal Ballot Forms and commencement of voting shall be published in the leading News Papers.

Thanking you,

Very truly yours,

Shrikant M. Bhosekar
Company Secretary



HINDUSTAN PETROLEUM CORPORATION LIMITED

Regd. Office : "Petroleum House", 17, J.T. Road, Churchgate, Mumbai - 400 020

NOTICE OF POSTAL BALLOT

(PURSUANT TO SECTION 192A OF THE COMPANIES ACT, 1956)

TO THE MEMBERS OF THE COMPANY,

Notice is hereby given that pursuant to Section 192A of the Companies Act, 1956 (Act) read with Companies Passing of the Resolutions by Postal Ballot Rules, 2011 (Rules) that the Company is seeking the Shareholders' consent to pass the proposed Ordinary Resolution set out below by way of Postal Ballot, for increasing the borrowing powers under Section 293 (1) (d) and for creation of charge /providing security under Section 293 (1) (a) of the Act.

In terms of Section 293(1) (d) of the Companies Act, 1956, the Board of Directors shall not borrow monies where the monies to be borrowed together with the monies already borrowed (other than the temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid Up Capital and Free Reserves of the Company except with the consent of the Company in General Meeting.

In terms of Section 293 (1) (a) of the Companies Act, 1956, the Board of Directors shall not, sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking; except with the consent of the Company in General Meeting. As creation of charge/security on the assets of the Company for the purpose of borrowing may be deemed as disposal of the whole or substantially whole of one or more of the Company's undertaking, it requires approval of the shareholders. It also attracts the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolutions by Postal Ballot) Rules, 2011.

In terms of Section 192A of the Act read with the Rules, shareholders' consent could be obtained for the above purposes by means of Postal Ballot instead of transacting the business in General Meeting of Company. Keeping this in view, the Company proposes to obtain shareholders' consent by means of Postal Ballot. The proposed Ordinary Resolution and the Explanatory Statement thereto are given below. Postal Ballot Form is also sent along with for your consent.

ORDINARY RESOLUTION - INCREASE IN THE BORROWING POWERS OF THE COMPANY AND CREATION OF CHARGE/PROVIDING OF SECURITY:

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

"RESOLVED THAT in supersession of the resolution passed by the shareholders in the Annual General Meeting of the Company held on September 22, 2008, the consent of the Company be and is hereby accorded to the Board of Directors under Section 293(1)(d) and any other applicable provisions of the Companies Act, 1956 read with Article 67 of the Articles of the Association of the Company, to borrow monies for and on behalf of the Company from time to time as deemed by it to be requisite and proper for the business of the Company, so that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining outstanding shall not exceed ₹ 30,000 Crores (Rupees Thirty Thousand Crores only) in excess of the paid up capital and free reserves of the Company i.e. reserves not set apart for any specific purpose, as per the latest annual audited financial statements".

"RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded, in terms of Section 293(1)(a) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment(s) thereof for the time being in force) to the Board of Directors of the Company to create charge / provide security for the sums borrowed on such terms and conditions and in such form and manner and with such ranking as to priority, as the Board in its absolute discretion thinks fit, on the assets of the Company, as may be agreed to between the Company and the Lenders so as to secure the borrowings by the Company, together with interest, costs, charges, expenses and all other monies payable by the Company to the Lenders / institutions concerned, under the respective borrowing arrangements entered into / to be entered by the Company."

"RESOLVED FURTHER THAT the security/(ies) to be created by the Company for its borrowings as aforesaid may rank with the security already created in the form of mortgage and / or charges already created or to be created in future by the Company as may be agreed to between the Company and concerned parties."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or any Committee or person(s) authorised by the Board, be and is / are hereby authorised to finalise, settle and execute such documents, deeds, writings, papers, agreements as may be required and to do all acts, deeds, matters and things as may in its / his / their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating security as aforesaid or otherwise considered to be in the best interest of the Company."

By Order of the Board

Shrikant M. Bhosekar
Company Secretary

Date: February 15, 2012
Place: **Registered Office:**
Petroleum House,
17, Jamshedji Tata Road,
Mumbai – 400 020

NOTES:

1. An Explanatory Statement as required under Section 173 of the Companies Act, 1956 in respect of the business specified above is annexed hereto.
2. Voting rights are reckoned on the shares registered in the name of the Members/Beneficial Owners as on 17.02.2012.
3. You are requested to read carefully the instructions printed on the reverse of the Postal Ballot Form and return the Form duly completed, in the attached self-addressed Business Reply Envelope so as to reach the Scrutinizer on or before 11.04.2012.
4. The Company has appointed Shri Upendra Shukla, a Practising Company Secretary, as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner. His address is Shri Upendra Shukla, Scrutinizer, C/o. Link Intime India Pvt. Ltd., Unit: HPCL, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400 078.
5. The Scrutinizer, after completion of the scrutiny, will submit his report to the Chairman of the Company. The result of the postal ballot will be declared by the Chairman or in his absence, by one of the Whole Time Functional Director authorized by the Chairman on 18.04.2012 at the Registered Office of the Company. The result shall also be announced to the Stock Exchanges where shares of the Company are listed and intimated through a Press Release in newspapers. The result will also be put on the Company's website www.hindustanpetroleum.com. The Resolution, if approved, will be taken as passed effectively on the date of declaration of result.
6. **Corporation also offers e-Voting facility. Please see the instructions below for details.**

In compliance with provisions of Section 192A of the Companies Act, 1956 read with (Passing of Resolution by Postal Ballot) Rules, 2011, the Company also offers e-voting option to all the shareholders. For this purpose, the Company has signed an agreement with National Securities Depository Limited (NSDL) for facilitating e-voting and is pleased to offer e-voting facility as an alternate, for its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional.

7. Shareholders who have registered their e-mail IDs for receipt of documents in electronic mode under the Green Initiative of MCA are sent Notice of Postal Ballot etc. by e-mail through NSDL and others are sent by post along with Ballot Form. Shareholders have option to vote either thru e-voting or through Ballot Form. Shareholders who have registered their e-mails for receipt of documents in electronic mode under the Green Initiative of MCA have been sent Postal Ballot Notice by e-mail and who wish to vote through Ballot Form can download Ballot Form from the link www.evoting.nsdl.com, or seek duplicate form from R & T Agents, M/s. Link Intime India Pvt. Ltd. Unit: HPCL, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup West, Mumbai – 400 078, fill in the details and send the same to the Scrutinizer by Post at the address given at Sl. No. 4 above.

8. The instructions for shareholders for voting Electronically, are as under:-

In case of shareholders' receiving e-mail from NSDL.

- a. Open e-mail and open PDF file viz; "HPCL e-Voting.pdf" with your Client ID or Folio No. as password containing your user ID and password for e-Voting. Please note that the password is an initial password.
- b. Launch internet browser by typing the following URL:
- c. <https://www.evoting.nsdl.com/>
- d. Click on "Shareholder - "Login"
- e. Put user ID and password as initial password noted in step (a) above. Click Login.
- f. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential
- g. Home page of "e-Voting" opens. Click on "e-Voting: --- Active Voting Cycles.
- h. Select "EVEN" of Hindustan Petroleum Corporation Limited.
- i. Now you are ready for "e-Voting" as "Cast Vote" page opens.
- j. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- k. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through E-mail hpclscrutinizer@gmail.com, hpcllevoting@hpcl.co.in with a copy marked to evoting@nsdl.co.in.

In case of shareholders' receiving Postal Ballot Form by Post.

- a. Initial password is provided at the bottom of the Postal ballot form. Please follow all steps from Sl. No.(b) to Sl. No. (k) above, to cast vote.
9. The voting period ends on the close of day of **11.04.2012**. The e-Voting module will be disabled by NSDL for voting thereafter.
10. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for Shareholders available at the "downloads" section of www.evoting.nsdl.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) AND 192A OF THE COMPANIES ACT, 1956.

In terms of Section 293(1) (d) of the Companies Act, 1956, the Board of Directors shall not borrow monies where the monies to be borrowed together with the monies already borrowed (other than the temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid Up Capital and Free Reserves of the Company, except with the consent of the Company in general meeting.

In the Annual General Meeting held on 22.09.2008 shareholders' approval was obtained to borrow funds, not exceeding ₹ 20000 Crores over and above the aggregate of the paid-up capital of the Company and its free reserves.

As of 31/3/2011, the paid up capital is ₹ 339.01 Crores and free reserves is ₹ 11,944.24 Crores. Thus the Corporation can borrow money such that the total loan outstanding, excluding temporary loans obtained from Company's bankers in the ordinary course of business, shall not exceed ₹ 32,283.25 Crores. The expression temporary loans for this purpose means loans payable on demand or within six months from date of loan such as short term, cash credit arrangements, the discounting of bills, etc. The total loans outstanding as on 31.12.2011, excluding temporary loans, is ₹ 25,230 Crores.

There has been a continuous increase in crude oil prices and the Indian basket of crude oil is hovering around US\$ 110 / bbl. However, the prices of the petroleum products have not increased commensurate to the increase in crude prices on account of which the under-recoveries have increased substantially. There is a likely delay in receipt of cash compensation from the Government towards these under-recoveries, necessitating bridging of the gap through borrowings.

Corporation has also taken up major expansion projects like Diesel Hydrotreater Plant at MR and VR, likely Visakh Refinery expansion. In addition, Corporation proposes to implement Greenfield Refinery projects which may necessitate further borrowing. Considering approximate under-recoveries of ₹ 12,000 Crores during January to June 2012 and the capital expenditure on various plan/non-plan projects, the total borrowings are likely to be around ₹ 42,000 Crores before the receipt of compensation from GOI around July 2012.

In view of the above, existing borrowing powers of the Board sanctioned by the Members will not be adequate. It is therefore, necessary to enhance the powers of the Board. The Board of Directors of the Company have therefore, desired to seek approval from the Members for enhancement in the borrowing powers from ₹ 20,000 Crores to ₹ 30,000 Crores in excess of the aggregate of the Paid Up Capital and Free Reserves of the Company as per the last Annual Audited Financial Statements.

The resolution subject to the approval of shareholders', for increase in Borrowing powers to ₹ 30,000 Crores (Rupees Thirty Thousand Crores only), has been approved by the Board at its Meeting held on 09.02.2012. As the Company will be required to create charge on/ provide security on its assets against the borrowings, the approval under Section 293(1)(a) of the Companies Act, 1956 to that extent is also sought from Members.

It is therefore, proposed to seek approval of the shareholders for increase in Borrowing Powers through Postal Ballot Process.

The Board of the Directors of your Company recommend the Ordinary Resolution as set out in the Notice for approval of the Members through Postal Ballot.

None of the Directors of the Company is concerned or interested in the resolution except to the extent of their holding of equity shares in the Company.

By Order of the Board

Shrikant M. Bhosekar
Company Secretary

Date: February 15, 2012

Place: **Registered Office:**
Petroleum House,
17, Jamshedji Tata Road,
Mumbai - 400 020.



HINDUSTAN PETROLEUM CORPORATION LIMITED

Regd. Office : "Petroleum House", 17, J.T. Road, Churchgate, Mumbai - 400 020

POSTAL BALLOT FORM

(1) Name & Registered Address :
of the sole/first named
Shareholder (In block letters)

(2) Name(s) of Joint Shareholder(s) :
(If any) (in block letters)

(3) Registered Folio No. / :
DP ID No./Client ID No.

(4) Number of Shares held :

(5) I/We hereby exercise my/our vote in respect of the Ordinary Resolution passed through Postal Ballot for the business stated in the Notice of the Company dated 15/02/2012 by sending my/our assent or dissent to the said resolution by placing the tick (✓) mark at the appropriate box below :

Item No.	Description	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Ordinary Resolution Under Sections 293 (1) (d) & 293 (1) (a) of the Companies Act, 1956 for increase in the borrowing powers of the Company from Rs 20,000 Crores to Rs 30,000 Crores in excess of the paid up Capital and Free Reserves and for creation of Charge/ providing of security of the assets of the Company.			

Place :

Date :

(Signature of the Member)

NOTE : Kindly read the instructions printed overleaf before filling the form.
Last date for receipt of Postal Ballot Form by the Scrutinizer is 11/04/2012

ELECTRONIC VOTING PARTICULARS

EVEN (E Voting Event Number)	User ID	Password

INSTRUCTIONS

1. A Member desiring to exercise a vote by Postal ballot shall complete this Postal Ballot Form in all respects and send it to the Scrutinizer in the attached self-addressed Business Reply Envelope. However, envelope containing Postal Ballot Form, if sent by courier / any other mode at the expenses of the member will also be accepted. **Corporation also offers e-Voting facility. Please see instruction in Sl. No. 10 below for details.**
2. The self-addressed envelope bears the address of the Scrutinizer. Members are requested not to send any other paper/s along with the Postal Ballot Form in the enclosed self-addressed Business Reply Envelope, as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope, the same would not be considered and would be destroyed by the Scrutinizer.
3. This Ballot Form should be completed and signed by the Member. In case of joint holding, the Form should be completed and signed by the first named Member and in his absence by the next named Member. The signature of the member(s) on this Postal Ballot Form should be as per the specimen signature registered with the company or furnished by the National Securities Depository Limited/Central Depository Services (India) Limited, in respect of shares held in the physical form or dematerialised form, respectively.
4. In case of shares held by the Institutional shareholders i.e other than individuals, HUF, NRI etc. the duly completed Postal Form should be accompanied by certified copy of the Board Resolution / Authority Letter together with attested specimen signature(s) of duly authorized signatory(ies). Postal Ballot Form signed by the holder of Power of Attorney for and on behalf of a Shareholder of the Company must be accompanied by the copy of Power of Attorney duly certified by the Magistrate, Notary Public or Special Executive Officer or a similar authority holding a Public Office authorized to use the Seal of his Office. If the Power of Attorney is already registered with the Company or R & T Agents, please quote the Registration Number beneath the signature.
5. Tick (✓) mark should be placed in the relevant box signifying assent/dissent for the resolution, as the case may be, before mailing the Postal Ballot Form. Members are entitled to vote For/Against Resolution covering total Number of Shares held by them.
6. There will be only one Postal Ballot Form for every Folio / Client ID irrespective of the number of Joint Member(s). Members are entitled to cast their votes differently i.e. all the votes either in favour or against or partly in favour or against.
7. **Duly completed Postal Ballot Form should reach the Scrutinizer not later than 11.04.2012. Postal Ballot form received after this date will be strictly treated as if the reply from the Member has not been received.**
8. Votes will be considered invalid on the following grounds:
 - a) If the Member's signature does not tally.
 - b) If the Member has marked all his shares both in favour and also against the Resolution.
 - c) If the Postal Ballot Form is unsigned.
 - d) If the Postal Ballot Paper is received in torn or defaced or mutilated condition to an extent that it is difficult for the Scrutinizer to identify either the member or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or on one or more such grounds.
9. The Scrutinizer's decision on the validity of the Postal ballot will be final.
10. **The Corporation is pleased to offer e-voting facility as an alternate, for its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot by post. For exercising e-voting facility, the User ID and initial Password are provided at the bottom of the Postal Ballot Form and the detailed procedure is enumerated below.**

E-VOTING

In case of shareholders' receiving e-mail from NSDL.

- a. Open e-mail and open PDF file viz; "HPCL e-Voting.pdf" with your Client ID or Folio No. as password containing your user ID and password for e-Voting. Please note that the password is an initial password.
- b. Launch internet browser by typing the following URL:
- c. <https://www.evoting.nsdl.com/>
- d. Click on "Shareholder - Login"
- e. Put user ID and password as initial password noted in step (a) above. Click Login.
- f. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential
- g. Home page of "e-Voting" opens. Click on "e-Voting: --- Active Voting Cycles."
- h. Select "EVEN" of Hindustan Petroleum Corporation Limited.
- i. Now you are ready for "e-Voting" as "Cast Vote" page opens.
- j. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- k. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through E-mail hpclscrutinizer@gmail.com, hpclcvoting@hpcl.co.in with a copy marked to evoting@nsdl.co.in.

In case of shareholders' receiving Postal Ballot Form by Post.

- a. Initial password is provided at the bottom of the Postal ballot form. Please follow all steps from Sl. No.(b) to Sl. No. (k) above, to cast vote.
11. Kindly note that vote once cast cannot be modified.
 12. The voting period ends on the close of day of 11.04.2012. The e-voting module will be disabled for voting thereafter by NSDL.
 13. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for Shareholders available at the "downloads" section of www.evoting.nsdl.com or call on (022) 2499 4433