

*Chennai Petroleum Corporation Limited*

MINUTES OF THE 45<sup>th</sup> ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF THE COMPANY HELD AT 02.30 P.M. ON MONDAY, THE 12<sup>th</sup> SEPTEMBER 2011 AT KAMARAJ ARANGAM, 492, ANNA SALAI, CHENNAI-600 006.

PRESENT

Mr.R.S.Butola, Chairman; Mr.K.Balachandran, Managing Director; Ms.D.Lilly, Director (Finance); Mr.S.Venkataramana, Director (Operations); Mr.T.S.Ramachandran, Director (Technical); Mr.L.Sabaretam, Director and also the Chairman of the Audit Committee; Mr.Rajkumar Ghosh, Director; Prof. M.S.Ananth, Director; Mr.Venkatraman Srinivasan, Director; Mr.H.Pouransari, 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.J.Sohrabian represented Naftiran Inter-trade Company Limited.

Apart from the above, 5500 shareholders and 95 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 World Economy is expected to grow at 4.4% per annum upto 2015 while the primary energy consumption is projected to grow at an average rate of 1.4% annually. He further informed that the global oil demand is projected to increase from the current level of 87 million barrels a day to 97 million barrels a day by 2030 as per one estimate and upto 105 million barrels a day by another estimate.

Chairman informed that with an expected GDP growth of about 8% per year, the petroleum products consumption has grown at the CAGR of 3.26% in the last five years to 141 million tonnes in 2010-11. He also informed that India's crude oil refining capacity has increased by 9 MMTPA to 193.4 MMTPA in 2010-11 over the previous year and to meet the growing demand for energy, the national refining capacity is projected to increase to 307 MMTPA by 2016-17.

Chairman further informed that despite the indigenous crude oil production estimated to increase to 41.1 MMT by 2016-17, the country's dependence on crude oil imports will continue to be at very high levels in the future.

Chairman added that the country's export of petroleum products grew by 16.1% during 2010-11 to 59.1 MMT as compared to 50.9 MMT during the previous year and the country's net forex outgo on petroleum was about USD 71 billion in 2010-11 as per provisional estimates.

Chairman also informed that the consumption of petroleum products increased by 2.9% during 2010-11.

Chairman highlighted the Company's performance during 2010-11 and informed that the Company has clocked the highest crude throughput of 10.748 MMT with a record production of high speed diesel, motor spirit and naphtha. He informed that the secondary processing units such as Fluidised Catalytic Cracking unit and Hydrocracking Unit turned in excellent performance with highest throughputs of 1.006 MMT and 1.995 MMT respectively. He further informed that the company registered the highest ever turnover of Rs. 38128 crore.

Chairman also remarked that the Company achieved "Excellent" rating (Provisional) for the 15<sup>th</sup> consecutive year under the Memorandum of Understanding (MoU) signed with the Government of India for the year.

Chairman expressed his happiness in sharing the success with the shareholders by recommending a dividend of Rs. 12/- per share representing 120% on the paid-up share capital of the Company for the year ended 31.03.2011.

Chairman further informed that the company has created new vision and mission statement during the year to achieve higher standards of excellence in all spheres of performance.

Chairman informed that the Company has become a corporate member of the Centre for Chemical Process Safety, a non profit organisation formed by the American Institute of Chemical Engineers and this association is expected to supplement the initiatives of the Company to be in touch with the latest trends in process safety technology and management practices.

Chairman further informed that the Manali Refinery of the Company was awarded the prestigious "TPM Excellence" Award by the Japan Institute of Plant Maintenance (JIPM) for implementing all the eight pillars of TPM.

Chairman also briefly highlighted about the Completed Projects viz. Revamp of Crude Distillation unit -III and NHDT/ISOM/DHDT units of Euro IV Project. He also highlighted the details of the projects under implementation viz., Revamp of existing CDU/VDU II from 3.7 to 4.3 MMTPA at a cost of Rs. 333.99 crore, Resid upgradation project for improving the distillate yield of the Manali Refinery from the present level of 68.4 wt% to 75.9 wt% at an estimated cost of Rs. 3110.36 crore, New Crude Oil Pipeline, replacing the existing 30" crude oil pipeline from Chennai Port to Manali Refinery at a cost of Rs. 126 crore and 20" crude oil pipeline for bringing in bigger vessels with crude supplies to Cauvery Basin Refinery at a cost of Rs. 10.69 crore.

Chairman also highlighted the green initiatives undertaken by the Company like promoting Rain Water Harvesting by developing an area of 30,000 sq. mts. and launching of Mobile Ambient Air Quality Monitoring Unit in and around Manali Refinery.

Chairman also briefly touched upon the new HR initiatives like conducting of open house meets, mentoring, field visits, learning forum and Reach-in programmes.

Chairman also informed that during the year 2010-11 the Company has spent an amount of Rs. 368.51 lakhs on CSR activities as compared to Rs. 169.72 lakhs in previous year.

While concluding his address, the Chairman thanked the Government of India, Ministry of Petroleum and Natural Gas, Government of Tamil Nadu, National Iranian Oil Company, our Co-Promoter, Ministry of Environment and Forests, Oil Industry Development Board, Petroleum Planning and Analysis Cell, the Comptroller and Auditor General of India, Central Vigilance Commission, Banks and Financial Institutions for their continued guidance and support.

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

#### 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. Padmanabhan (CLID No. 10308922) and seconded by Mr. V. Natarajan (Folio No. MRL 001464), the following ordinary resolution was passed unanimously :

*"RESOLVED that the Audited Profit & Loss Account of the Company for the period from 1<sup>st</sup> April 2010 to 31<sup>st</sup> March 2011 and the Audited Balance Sheet as at 31<sup>st</sup> March 2011 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. S.Raja (CLID No. 11739849) the following ordinary resolution was passed unanimously:

*"RESOLVED to declare a Dividend of Rs.12/- per share representing 120% on the paid-up Equity Share Capital for the year ended 31.03.2011 and to pay the Dividend to those shareholders whose names appear as Members in the Register of Members of the Company as on September 12, 2011 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."*

3. Proposed by Mr.Leslie Prabhu (CLID No. 60026924) and seconded by Mr.K.Panneerselvam (CLID No. 40154652), the following ordinary resolution was passed unanimously:

*"RESOLVED that Mr.L.Sabaretnam be and is hereby re-appointed as a Director of the Company."*

SPECIAL BUSINESSES

4. Proposed by Mr.G.R.Rajagopalan (CLID No. 10543543) and seconded by Mr.M.S.Raghunathan (CLID No. 10227412), the following ordinary resolution was passed unanimously:

*"RESOLVED that Mr. P.K.Singh be and is hereby appointed as a Director of the Company."*

5. Proposed by Mr.P.Sreenivasalu (CLID No. 14710889) and seconded by Mr.M.Vardan (CLID No. 40972353), the following ordinary resolution was passed unanimously:

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

6. Mr.R.S.Butola, Chairman of the Meeting, vacated the Chair and requested Mr.K. Balachandran, Managing Director, to chair the meeting, since he was interested in the Resolution appointing him as one of the Directors of the Company.

Mr.K. Balachandran took the Chair and conducted the proceeding.

Proposed by Dr.A.Meenakshi Sundaram (Folio No.MRL 001599) and seconded by Mr.N. Ramakrishnen (Folio No. MRL 002267), the following ordinary resolution was passed unanimously:

*"RESOLVED that Mr. R.S.Butola be and is hereby appointed as a Director of the Company."*

Then, Mr.K. Balachandran handed over the Chair to Mr.R.S.Butola.

7. Proposed by Mr.Leslie Prabhu (CLID No. 60026924) and seconded by Mr.K.Panneerselvam (CLID No. 40154652), the following ordinary resolution was passed unanimously:

*“RESOLVED that Ms.D.Lilly be and is hereby appointed as a Director of the Company.”*

8. Proposed by Mr.Padmanabhan (CLID No. 10308922) and seconded by Mr.A.Dharmaraj (Folio No. MRL 001416), the following ordinary resolution was passed unanimously:

*“RESOLVED that Mr.T.S.Ramachandran be and is hereby appointed as a Director of the Company.”*

9. Proposed by Mr.P.Subrahmanyam (Folio No. MRL 001526) and seconded by Mr.M.Varadan (CLID No. 40972353), 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, the present Article 101 of the Articles of Association of the Company be and is hereby amended by deleting the words “for a period of one (1) year at a time” .”*

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

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