

# चेन्नै पेट्रोलियम कॉर्पोरेशन लिमिटेड

(इंडियनऑयल की ग्रुप कम्पनी)

## Chennai Petroleum Corporation Limited

(A group company of IndianOil)



CS:01:007

9<sup>th</sup> June, 2020

<b>National Stock Exchange Limited</b> Exchange Plaza, 5 <sup>th</sup> Floor, Bandra – Kurla complex, Bandra (E), Mumbai – 400 051	<b>Bombay Stock Exchange</b> BSE Ltd. 1 <sup>st</sup> Floor, New Trading ring, P J Tower, Dalal Street, Mumbai – 400 001
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NSE Symbol: CHENNPETRO

BSE Scrip Code: 500110

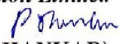
ISIN: INE178A01016

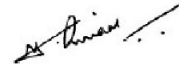
**Sub: Annual Secretarial Compliance Report under Regulation 24A of  
SEBI (LODR) (Amendment) Regulations, 2015**

Dear Sir,

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015 and the circular No. CIR/CFD/CMD/1/27/2019 dated 8<sup>th</sup> February, 2019 issued by SEBI, please find attached the Annual Secretarial Compliance Report dated 01.06.2020 issued by M/s.A.K.Jain & Associates, Practicing Company Secretaries, for the Financial Year ended 31<sup>st</sup> March, 2020 as per the format specified in the aforementioned circular.

The above is for your information and records please.

Yours faithfully,  
for Chennai Petroleum Corporation Limited  
  
(P.SHANKAR)  
COMPANY SECRETARY



Encl.: a/a

**A. K. JAIN & ASSOCIATES**  
**C O M P A N Y S E C R E T A R I E S**



*S. Anil Kumar Jain* B.Com., FCS

*Balu Sridhar* M.A.C.S., FCS., LLB

*Pankaj Mehta* B.Com (C.S.), ACS

**ANNUAL SECRETARIAL COMPLIANCE REPORT**  
**OF**  
**CHENNAI PETROLEUM CORPORATION LIMITED**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2020**

We, A.K. Jain & Associates, have examined:

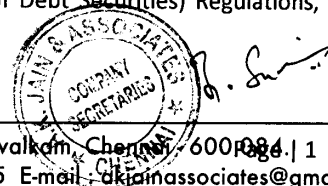
- a) all the documents and records made available to us and explanation provided by **CHENNAI PETROLEUM CORPORATION LIMITED** ("the listed entity),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31.03.2020 in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(No transaction during the review Period)**
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(No transaction during the review Period)**
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;



No. 2, (New No. 3), Raja Annamalai Road, First Floor, Purasaiwalkam, Chennai - 600084. | 1  
Phone : 2665 1224 / 4555 8281 Cell : 98411 76001 / 98413 22315 E-mail : akjainassociates@gmail.com

- g) Securities and Exchange Board of India (Issue and Listing of Non-convertible and Redeemable Preference Shares) Regulations, 2013; **(No transaction during the review Period)**
- h) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

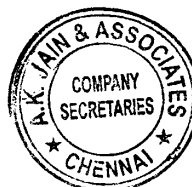
and circulars/ guidelines issued thereunder;

and based on the above examination, We hereby report that, during the Review Period:

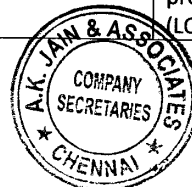
- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Details of non-compliance	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Proviso of Regulation 17(1)(a) of the Securities Exchange Board of India, (Listing Obligations and Disclosure Requirements), 2015	One Independent Women Director in the Board	The company did not have an Independent Woman Director for the period commencing from 01.04.2019 to 30.10.2019
2.	Regulation 17(1) of the Securities Exchange Board of India, (Listing Obligations and Disclosure Requirements), 2015	Independent Directors in the Board	The Board of Directors of the Company is not comprised of required number of Independent Directors
3.	Regulation 18(1) of the Securities Exchange Board of India, (Listing Obligations and Disclosure Requirements), 2015	Composition of Audit Committee	The composition of the Audit Committee of the Company do not have requisite number of Independent Directors for period commencing from 17.10.2019 to 24.02.2020

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.
- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:



Sr. No	Name of the Stock Exchange	Regulation	Details of non-compliance	Observations/Remarks of the Practicing Company Secretary, if any
1	The National Stock Exchange of India Ltd (NSE) and BSE Ltd (BSE)	Regulation 17(1) of SEBI (LODR) Regulation, 2015	The Company has received four notices from NSE vide their letter dated 02.05.2019, 19.08.2019, 01.11.2019 and 03.02.2020 levying a penalty of Rs. 5,31,000/- Rs. 5,36,900/-, Rs.5,42,800/- and Rs.7,22,160/- (inclusive of GST) respectively and BSE vide their letters dated 02.05.2019, 19.08.2019, 31.10.2019 and 03.02.2020 levying a penalty of Rs.5,31,000/- Rs.5,36,900/- Rs.5,42,800/- and Rs.7,22,160/- (inclusive of GST) respectively for Non-Compliance by Chennai Petroleum Corporation Limited with the requirement of Non-Appointment of requisite number of Independent Directors	The Company has requested Ministry of Petroleum and Natural Gas, the Administrative Ministry for nomination of requisite number of Independent Directors on the Board of the company.  The Company also requested the Stock Exchanges for waiver of the fine imposed vide their reply letters dated 06.05.2019, 22.08.2019, 05.12.2019 and 04.02.2020 to National Stock Exchange of India Limited and vide reply letters dated 03.05.2019, 22.08.2019, 31.10.2019 and 04.02.2020 to BSE Limited and referred the matter to the Administrative Ministry for waiver of the fine imposed by the Stock Exchanges.
2	The National Stock Exchange of India Ltd (NSE) and BSE Ltd (BSE)	Regulation 18(1) of SEBI (LODR) Regulation, 2015	The Company has received notices from NSE vide their letter dated 03.02.2020 levying a penalty of Rs.1,79,360/- (inclusive of GST) and BSE vide their letter dated 03.02.2020 levying a penalty of Rs.1,79,360/- (inclusive of GST) for Non-Compliance by Chennai Petroleum Corporation Limited with the requirement of composition of Audit Committee.	As on 31.12.2019, the composition of the Audit Committee comprised of 3 independent directors and 2 Non-executive directors.  CPCL had interpreted and rounded off the fraction to the nearest number i.e. $2/3^{\text{rd}}$ of 5=3.33 rounded off to 3 and reported compliance with the requirement of Audit Committee composition.  However, the company was informed that as per the Guidance Note on SEBI circular dated May 03, 2018 regarding non-compliance with certain provisions of the SEBI (LODR), 2015, Point 4



				<p>[Regulation 17 (1)] it is explained that "Fraction shall be rounded off to the higher number while determining compliance". Hence, the company needs to have 4 Independent Directors in the Audit Committee.</p> <p>In line with the above requirement, the Audit Committee was reconstituted on 25.02.2020 with additional Independent Director apart from the existing Independent Directors to comply with the above requirement of SEBI (LODR) Regulations, 2015.</p>
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d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended. (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
	The Company has taken up with Ministry of Petroleum and Natural Gas, the Administrative Ministry for nomination of requisite number of Independent Directors on the Board of Chennai Petroleum Corporation Limited.			

Place: Chennai  
Date: 01.06.2020

for A.K.JAIN & ASSOCIATES  
Company Secretaries



*Balu Srithar*

**BALU SRIDHAR**

Partner

FCS No. 5869

C. P. No. 3550

UDIN: F005869B000306444