

# चेन्नै पेट्रोलियम कॉर्पोरेशन लिमिटेड

(इंडियनऑयल की ग्रुप कम्पनी)

**Chennai Petroleum Corporation Limited**

(A group company of IndianOil)



CS:01:049

25.07.2019

The Secretary,  
BSE Ltd.  
Phiroze Jeejeeboy Towers,  
25th Floor, Dalal Street,  
Mumbai – 400 001

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

Dear Sir,

Sub: NOTICE OF 53<sup>rd</sup> ANNUAL GENERAL MEETING, CLOSURE OF REGISTER OF MEMBERS & SHARE TRANSFER BOOKS AND INTIMATION TO REMOTE E-VOTING FACILITY

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The Notice of the 53<sup>rd</sup> Annual General Meeting of the members of the Company scheduled to be held on 21<sup>st</sup> August 2019 at Kamaraj Arangam, 498, Anna Salai, Chennai – 600 006, containing the business to be transacted thereat, is attached herewith.

Further, pursuant to Regulation 42 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Notice is hereby given that the Register of Members and Share Transfer Books of the Company would remain closed from 14<sup>th</sup> August (Wednesday) 2019 to 21<sup>st</sup> August (Wednesday) 2019 (both days inclusive) for the purpose of 53<sup>rd</sup> Annual General Meeting of the Company.

Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2015 and Regulation 44 of the SEBI (LODR) Regulations, 2015, the company is providing to its members the facility to cast their vote by electronic means on all resolutions set forth in the Notice. The instructions for e-voting are mentioned in the said Notice. The cut-off date to be eligible to vote is 13.08.2019 (Tuesday). The voting period would commence on 17.08.2019 (Saturday), 9.30 am and ends on 20.08.2019 (Tuesday) at 5.00 pm. During this period, eligible members may cast their votes through electronic means in the manner specified in the Notice.

This is for your information and record please.

Thanking you,

Yours Faithfully,

For **Chennai Petroleum Corporation Limited**,

  
**P.SHANKAR**

**COMPANY SECRETARY**

Encl.: a/a



**Chennai Petroleum Corporation Limited**

(A group company of IndianOil)

Regd. Office: 536, Anna Salai, Teynampet, Chennai 600 018.

Website: www.cpcl.co.in; Email id: shankarp@cpcl.co.in/ sld@cpcl.co.in

Tel: 044-24349833 / 24346807

CIN: L40101TN1965GOI005389

## Notice

Notice is hereby given that 53<sup>rd</sup> Annual General Meeting of the members of CPCL will be held at **Kamaraj Arangam, 498, Anna Salai, Chennai 600 006 at 3.00 pm on Wednesday, the 21<sup>st</sup> August 2019** to transact the following businesses:

### ORDINARY BUSINESSES:

1. To receive, consider and adopt the Audited Financial Statement (Standalone and Consolidated) of the Company for the period from 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2019, together with the Director's Report and the Auditor's Report.
2. To appoint a Director in place of Mr G.Aravindan (DIN 07992886), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mrs Perin Devi (DIN 7145051), who retires by rotation and being eligible, offers herself for reappointment.

### SPECIAL BUSINESSES:

#### 4. APPOINTMENT OF MR.R.SRIKANTHAN (DIN 08198470) AS A DIRECTOR

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

"RESOLVED that pursuant to the provisions of Section 161(1) of the Companies Act, 2013, read with Rules made thereunder including any statutory modifications or re-enactment thereof for the time being in force and the Articles of Association of the Company, Mr.R.Srikanthan (DIN 08198470) who was appointed as an Additional Director and designated as Director(Technical) by the Board of Directors w.e.f. 25.08.2018 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director(Technical) of the Company liable to retire by rotation."

#### 5. APPOINTMENT OF MR.D.DURAIGANESAN (DIN 08200628) AS AN INDEPENDENT DIRECTOR

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

"RESOLVED that pursuant to the provisions of Section 161(1), 149 & 152 and other applicable provisions of the Companies

Act, 2013 read with Rules made thereunder including any statutory modifications or re-enactment thereof for the time being in force, the Articles of Association of the Company and Regulation 17 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, Mr.D.Duraiganesan (DIN 08200628), who was appointed as an Additional Director and designated as an Independent Director by the Board of Directors w.e.f. 25.08.2018 and who holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a period of 3 years from the date of appointment by the Board, not liable to retire by rotation."

#### 6. RATIFICATION OF REMUNERATION OF COST AUDITOR FOR THE YEAR 2019-20

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

"RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof, for the time being in force], the remuneration of ₹ 2,50,000 /- (Rupees Two lakh fifty thousand only) plus applicable taxes and out of pocket expenses if any, to conduct the audit of cost accounts maintained by the company for the financial year 2019-20 payable to M/s.Vivekanandan Unni & Associates, Cost Accountants, Chennai, the cost auditor of the company be and is hereby ratified."

#### 7. INCREASING THE BORROWING POWERS OF THE COMPANY FROM ₹ 8000 CRORE TO ₹ 10,000 CRORE

To consider and, if thought fit, to pass, with or without modification, the following resolution as **Special Resolution**:

"RESOLVED THAT in supersession of the special resolutions passed by shareholders through postal ballot on 20.07.2015 and pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force), the rules notified thereunder and the Articles of Association of the



Company, approval of the Shareholders be and is hereby accorded to the Board of Directors to borrow money through loans, advances, credit, etc. for both domestic and foreign currency borrowings upto ₹ 10,000 crore (excluding temporary loans obtained from the Company's bankers in the ordinary course of business) from banks, financial institutions and other sources from time to time for the purpose of financing the working capital requirements as also for acquisition of capital assets and/or for the purpose of any other requirements of the Company, both for capital and revenue in nature, notwithstanding 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), will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes."

**8. CHARGING/ MORTGAGING THE MOVABLE/ IMMOVABLE PROPERTIES OF THE COMPANY FOR THE BORROWINGS UNDER SECTION 180 (1)(A) OF THE COMPANIES ACT, 2013.**

To consider and, if thought fit, to pass, with or without modification, the following resolution as **Special Resolution:**

**"RESOLVED THAT** in supersession of the special resolutions passed by shareholders through postal ballot on 20.07.2015 and pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), the rules notified thereunder and the Articles of Association of the Company and such other approvals as may be necessary, approval of the shareholders be and is hereby accorded to the Board of Directors to mortgage and/or charge, in addition to the mortgages / charges created / to be created by the Company in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the movable / immovable properties of the Company, both present and future and/or whole or any part of undertaking(s) of the Company in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowings of the Company availed / to be availed by way of loan(s) in foreign currency and/or rupee currency and Securities (comprising fully / partly Convertible Debentures and/or Non-Convertible Debentures, on all or any of the above, with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rates notes / bonds or other debt instruments) issued / to be issued by the Company, from time to time, subject to the limits approved under section 180(1)(c) of the Companies Act, 2013, together with interest at the respective agreed rates, additional interest, compound interest, in case of default

accumulated interest, liquidated damages, commitment charges premia on prepayments, remuneration of the Agent(s) / Trustee(s), premium (if any) on redemption, all other costs, charges and expenses as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s) / Heads of Agreement(s), Trust Deed(s) or any other document, entered into / to be entered into between the Company and the Lender(s) / Agent(s) / Trustee(s), in respect of the said loans / borrowings / debentures / bonds or other securities and containing such specific terms and conditions covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s) / Agent(s) / Trustee(s)."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Managing Director or Director (Finance) or any officer(s) authorized by them in this regard be and are hereby authorized to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulties or doubts that may arise with regard to borrowings and creating mortgages / charges as aforesaid."

By order of the Board of Directors  
For Chennai Petroleum Corporation Limited

(P.Shankar)  
Company Secretary  
Regd. Office: 536, Anna Salai,  
Teynampet, Chennai 600 018.  
Email id: shankarp@cpcl.co.in  
CIN: L40101TN1965GOI005389

Date: 29.06.2019  
Place: Chennai

Notes:-

- 1) A member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of himself.
- 2) The proxy need not be a member of the Company.
- 3) As per the provisions of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the company

- carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.
- 4) The instrument of Proxies, in order to be effective, must be lodged at the Registered Office of the Company not later than 48 hours before the time of holding the meeting.
  - 5) Members / Proxies/Authorised Representatives are requested to bring the attendance slip duly filled and signed along with copy of Annual Report to the meeting.
  - 6) Members, who hold shares in the dematerialised form, are requested to bring their depository account number for identification at the time of Annual General Meeting.
  - 7) The Register of Members and the Share Transfer Books of the Company will remain closed **from Wednesday, the 14<sup>th</sup> August 2019 to Wednesday the 21<sup>st</sup> August 2019 (both days inclusive).**
  - 8) A statement setting out the material facts in respect of resolutions set out under "Special Businesses" of the Notice pursuant to Section 102(1) of the Companies Act, 2013 is annexed hereto.
  - 9) Reserve Bank of India has initiated NECS (National Electronic Clearing System) facility for credit of future dividends directly to the Bank account of the members. Hence members are requested to register their Bank account details (core banking solutions enabled account number, 9 digit MICR code and 11 digit IFSC code) in respect of shares held in dematerialized form with their respective depository participants i.e., the agency where the demat account has been opened and in respect of shares held in physical form with the RTA or at the registered office of the company.
  - 10) Non-resident Indian members are requested to inform the RTA, M/s. Karvy Fintech Private Limited, Hyderabad immediately about:
    - (i) Change in their residential status on return to India for permanent settlement.
    - (ii) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
  - 11) Members may send their requests for change / updation of Address, Email address, Nominations:
    - **For shares held in dematerialised form** - to their respective Depository Participant.
    - **For shares held in physical form** - to the RTA, M/s Karvy Fintech Private Limited, Karvy Selenium, Tower B, Plot No. 31 & 32, Financial District, Gachibowli, Hyderabad – 500032 or at the registered office of the Company.
  - 12) Securities and Exchange Board of India (SEBI), has mandated the submission of Permanent Account Number (PAN) by every participant in Securities Market. Members holding shares in Electronic form are requested to submit the PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in Physical form are requested to submit their PAN details, email ids and mobile number to M/s.Karvy Fintech Private Limited, the Share Transfer Agents of the Company.
  - 13) As per the provisions of Section 124(5) of the Companies Act 2013, the dividends which remain unpaid/unclaimed for a period of 7 years is to be transferred to the Investor Education and Protection Fund. Accordingly, the Company has transferred all unclaimed dividend declared upto the financial year 2010-11, to Investor Education & Protection Fund (IEPF) established by the Central Government.
 

Further, Section 124(6) of the Companies Act, 2013 read with rules made thereunder provide that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of Investor Education and Protection Fund. The Company had sent reminder letters to all such shareholders, whose dividend had remained unclaimed for a consecutive period of 7 years i.e., 2010-11 to 2017-18, with a request to claim the dividends, failing which the shares would be transferred to the IEPF Authority on the due date. Thereafter such shares were transferred to IEPF in November 2018. The details of such shares were also hosted in the website of the Company [www.cpcl.co.in](http://www.cpcl.co.in)

It would be noted that upon completion of 7 years, the Company would transfer the unclaimed dividend for the financial year 2011-12 in October, 2019. Further the shares, in respect of which the dividend has remained unclaimed for a consecutive period of 7 years i.e., from FY 2011-12 to FY 2018-19, would also be transferred to IEPF in Oct/Nov 2019. The details of such unclaimed dividends as well as shares liable to be transferred to IEPF will be hosted on the website of the company at [www.cpcl.co.in](http://www.cpcl.co.in). No dividend was declared for the financial year 2008-09, 2012-13, 2013-14 and 2014-15. The dividend for the financial year 2011-12, 2015-16, 2016-17 and 2017-18 which remains unclaimed for a period of 7 years would be transferred to the IEPF on respective due dates. The members, who have not encashed their dividend warrants so far, for the financial years 2011-12, 2015-16, 2016-17 and 2017-18 may write to the RTA, M/s. Karvy Fintech Private Limited, Hyderabad or at the registered office of the Company for claiming the unpaid dividend.

Further, Section 125 of the Companies Act, 2013 provides that a shareholder whose dividend amount / shares have been transferred to the IEPF shall be entitled to claim refund therefrom. The procedure for claiming the unclaimed dividend amount and shares transferred to the IEPF is provided on the following link <https://www.cpcl.co.in/IEPF>.



- 14) SEBI vide circular dated 5<sup>th</sup> December 2018 has directed that no transfer of shares in physical form would be permitted w.e.f. 1<sup>st</sup> April 2019. Accordingly members holding shares in physical form are requested to dematerialise their share certificates.
- 15) As per the provisions of the Companies Act, 2013, members are entitled to make nomination in respect of shares held by them in physical form. Nomination form can be downloaded from the website of the company at [www.cpcl.co.in](http://www.cpcl.co.in). Shareholders holding shares in Demat form may contact their Depository Participant for nomination.
- 16) A brief Resume of the Directors of Company, seeking appointment/re-appointment at this Annual General Meeting, and their expertise in specific functional areas, is given as part of the Notice of 53<sup>rd</sup> Annual General Meeting.
- 17) The relevant documents are available for inspection by the members at the Registered Office of Company at any time during the working hours till the date of meeting.
- 18) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with Rules made thereunder, the Annual Report 2018-2019, Notice of the 53<sup>rd</sup> AGM and instructions for e-voting alongwith the Attendance Slip and Proxy Form are being sent by electronic mode only to those members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, **abridged version of physical copies of the Annual Report 2018-2019, are being sent by the permitted mode.** Members holding shares in physical form can send their email address for registration to [einward.ris@karvy.com](mailto:einward.ris@karvy.com) / [mohsin.mohd@karvy.com](mailto:mohsin.mohd@karvy.com) quoting the Folio Number and Name of the Company.
- 19) The Annual Report, **both abridged and full version** is available on the Company's Website at [www.cpcl.co.in](http://www.cpcl.co.in).
- 20) In terms of Section 108 of Companies Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 the Company is providing the facility to its members to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice. **The cut-off date to be eligible to vote is Tuesday, the 13th August 2019.**
- 21) Facility for e-voting:
  - i) Details of the process and manner of e-voting along with the User ID and Password are being sent to the members along with the notice:
    - By email to those members whose email ID is registered with the Company / Depository Participant.
    - By post to those members whose email ID is not registered with the Company / Depository Participant.
  - ii) The instructions and other information relating to e-voting are as under:
    - Launch internet browser by typing the URL: <https://evoting.karvy.com>.
    - Enter the login credentials (i.e. User ID and Password mentioned in the notice). However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for logging in.
    - After entering these details appropriately, Click on "LOGIN".
    - You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
    - You need to login again with the new password.
    - On successful login, the system will prompt you to select the "EVENT" i.e. Chennai Petroleum Corporation Limited.
    - On the voting page, enter the number of shares (which represents the number of votes as on the Cut Off date) under "FOR / AGAINST / ABSTAIN" or alternatively, you may partially enter any number of votes in "FOR" and partially in "AGAINST" such that the total number of votes cast "FOR/ AGAINST" taken together should not exceed your total shareholding. In case you do not wish to cast your vote you may choose the option "ABSTAIN".
    - Voting has to be done for each item of the Notice separately. In case you do not cast your vote on any specific item it will be treated as abstained.
    - Members holding multiple demat accounts / folios shall choose the voting process separately for each demat account / folio.
    - You may then cast your vote by selecting an appropriate option and click on "Submit".

- A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).
- Corporate / Institutional members are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email ID: lbandco.cs@gmail.com, with a copy marked to evoting@karvy.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "CPCL, 53<sup>rd</sup> Annual General Meeting".
- The e-voting would commence **on Saturday, the 17<sup>th</sup> August 2019 at 9:30 A.M. and end on Tuesday, the 20<sup>th</sup> August 2019 at 05.00 P.M.** During this period, the eligible members of the Company may cast their vote by electronic means in the manner and process set out herein above. The e-voting module shall be disabled for voting thereafter. Further, members who cast their vote electronically shall not be entitled to vote at the Annual General Meeting.
- Facility for voting through ballot paper would also be made available at the AGM venue. Members who cast their votes electronically should not vote through ballot paper. However, in case a member votes electronically as well as through ballot paper, the vote cast through ballot paper will be ignored.
- In case of any query pertaining to e-voting, please visit Help & FAQ's section of <https://evoting.karvy.com>.
- The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company, as on the cut-off date.
- The Company has appointed M/s. LB & Co. Company Secretaries, as Scrutinizer to scrutinize the e-voting and poll process in a fair and transparent manner.
- The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2

(two) witnesses not in the employment of the Company and submit not later than 48 hours of conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favour or against if any, to the Chairman of the Company or such other officer authorized by the Chairman.

- The Results on resolutions shall be declared within 48 hours of the conclusion of the AGM and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
- The results of voting along with the Scrutinizer's Report(s) thereon would be available on the website of the Company ([www.cpcl.co.in](http://www.cpcl.co.in)) and on Service Provider's website (<https://evoting.karvy.com>) immediately after the declaration of the results and would also be communicated simultaneously to the BSE Limited and the National Stock Exchange of India Limited.

#### **STATEMENT SETTING OUT THE MATERIAL FACTS RELATING TO THE SPECIAL BUSINESSES IN PURSUANCE OF SECTION 102 (1) OF THE COMPANIES ACT, 2013**

##### **Item No. 4**

Mr. R.Srikanthan, was re-appointed as an Additional Director with effect from 25.08.2018. As per the provisions of Section 161 of the Companies Act, 2013, Mr. R.Srikanthan will hold office only upto the date of the 53<sup>rd</sup> Annual General Meeting of the Company.

A Notice under section 160 of the Companies Act, 2013 has been received proposing the appointment of Mr. R.Srikanthan as a Director along with the deposit amount as prescribed under the Companies Act, 2013.

Mr.R.Srikanthan is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. None of the Directors / Key Managerial Personnel of the Company and their relatives are interested or concerned in the resolution except Mr.R.Srikanthan.

Mr.R.Srikanthan is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and is not debarred from holding the office of Director by virtue of any order of SEBI / any other authority.

**The Board therefore, recommends the Ordinary Resolution for approval by members.**

##### **Item No.5**

Mr.D. Duraiganesan was re-appointed as an Additional Director and designated as Independent Director with effect from 25.08.2018. As per the provisions of Section 161 of the Companies Act, 2013, Mr.D.Duraiganesan will hold office only upto the date of the 53<sup>rd</sup> Annual General Meeting of the Company.



A Notice under section 160 of the Companies Act, 2013 has been received proposing the appointment of Mr.D.Duraiganesan as a Director under the Companies Act 2013.

Mr.D.Duraiganesan is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. None of the Directors / Key Managerial Personnel of the Company and their relatives are interested or concerned in the resolution except Mr.D.Duraiganesan.

The Company has received a declaration from Mr. D.Duraiganesan that he meets the criteria of independence as prescribed under Section 149(6) of the Act and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. D.Duraiganesan is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and is not debarred from holding the office of Director by virtue of any order of SEBI / any other authority.

In the opinion of the Board, Mr. D.Duraiganesan fulfils the criteria of independence as specified in the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and is independent of the Management.

**The Board therefore, recommends the Ordinary Resolution for approval by members.**

#### Item No. 6

The proposal for appointment of M/s.Vivekanandan Unni & Associates, Cost Accountants, Chennai as the Cost Auditor of the Company for the Financial Year 2019-20 at a remuneration of ₹ 2,50,000/- plus applicable taxes and out of pocket expenses, if any, to conduct the audit of cost accounts maintained by the company was recommended by the Audit Committee and the Board at the Meeting held on 27.03.2019.

As per Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditor recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified subsequently by the members of the company.

Hence the present resolution for remuneration of ₹ 2,50,000/- plus applicable taxes and out of pocket expenses, if any, to conduct the audit of cost accounts maintained by the company for the Financial Year 2019-20 payable to M/s.Vivekanandan Unni & Associates, Cost Accountants, Chennai, the cost auditors of the company is proposed for ratification by the members.

**The Board therefore, recommends the Ordinary Resolution for approval by members.**

#### Memorandum of Interest:

None of the Directors, Key Managerial Personnel and their relatives are interested in the resolution except the cost auditor.

#### Item No. 7 and 8:

The current level of long-term rupee borrowings as of 31.03.2019 is at ₹ 1,742 Crore and the current level of short term borrowings as of 31.03.2019 is at ₹ 4,868 Crore totaling to ₹ 6,610 Crore as against the approved limit of ₹ 8,000 Crore. The aggregate of paid up capital and free reserves as on 31.12.2018 is ₹ 3340 Crore.

The short term borrowings of the company have undergone frequent revision on account of the upward movement of crude prices. The global oil prices have witnessed a sharp rise over the last few years and are still ruling at very high levels. The average CPCL basket of crude oil has increased from \$46.48bbl in 2015-16 to \$69.71bbl in 2018-19 and further to \$70.64bbl in April 2019. Consequently, the requirement of funds for working capital purpose has enhanced substantially. The estimated requirement of funds for meeting the working capital works out to ₹ 720 Crore

Presently, the company is implementing BS VI and RLNG projects at a cost of ₹ 1,858 Crore and ₹ 421 Crore respectively. The RESID Upgradation Project, with an approved outlay of ₹ 3,110 Crore has been commissioned recently, totaling a Capex of ₹ 5618 Crore in a span of 5 years. Further, the proposal for setting up a new 9 MMTPA Refinery at Cauvery Basin Refinery, Nagapattinam is being put up to the Board for consideration. The approved cost for Detailed Feasibility Study activities is ₹ 398 Crore. Also, till the funding plan is finalized and approved, the expenditure with regard to project activities needs to be funded.

In view of increase in the fund requirements of the company to meet the Capital expenditure programme, in respect of the above and the increase in working capital requirements, the borrowing limit is proposed to be enhanced from current level of ₹ 8,000 Crore to an overall borrowing limit of ₹ 10,000 Crore, which would include cash credit facility extended by the Company's Bankers and to create charge / mortgage the movable / immovable properties of the Company for the borrowings.

The proposal to increase the borrowing limits from ₹ 8000 crore to ₹ 10,000 crore and for creating charge / mortgage the movable / immovable properties of the Company for the borrowings requires the approval of the shareholders by way of special resolution.

**The Board therefore, recommends the Special Resolutions vide item nos. 7 and 8 for approval by members.**

#### Memorandum of Interest:

None of the Directors, Key Managerial Personnel and their relatives are interested in the resolution, except to the extent of their respective holding of equity shares in the company.

#### BRIEF RESUME OF THE DIRECTORS OF THE COMPANY, SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 53<sup>rd</sup> ANNUAL GENERAL MEETING

1. Mr.G.Aravindan born on 12.02.1960, was appointed as Director (Operations) w.e.f. 30.01.2018. He holds a Bachelor's

Degree in Technology and Masters Degree in Business Administration from the University of Madras. He has more than three decades of experience in the areas of Refinery Operations.

Mr.G. Aravindan is the member of Risk Management Committee, CSR & SD Committee, Board Project Committee and Planning & Projects Committee. He is holding 200 shares in the Company. Inter-se relationship between Directors is none.

Number of Board Meeting attended during 2018-19	: 8
Details of Directorships in other companies	: 2
Membership / Chairmanship in the Committees of other companies	: -
No. of Shares held in the company as on date	: 200
Relationship between Directors and Key Managerial Personnel - None	

2. Mrs.Perin Devi born on 13.10.1965, was appointed as a Director on the Board of CPCL w.e.f. 24.11.2017. She holds a Masters Degree in Commerce. Presently she is Director in Ministry of Petroleum and Natural & Gas, Government of India.

Mrs.Perin Devi is the member of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, CSR&SD Committee and Board Project Committee. She is not holding any shares in the company. Inter-se relationship between Directors is none.

Number of Board Meeting attended during 2018-19	: 7
Details of Directorships in other companies	: 1
Membership / Chairmanship in the Committees of other companies	: 4
No. of Shares held in the company as on date	: -
Relationship between Directors and Key Managerial Personnel - None	

- 3) Mr. R.Srikanthan, born on 20.09.1960, was appointed as Director (Technical) w.e.f. 13.08.2018. He holds a Bachelor's Degree in Chemical Engineering from Indian Institute of Technology, Delhi and a Post Graduate Diploma in Management from Indian Institute of Management, Bangalore. He has more than three decades of experience

in CPCL covering the areas of Project, Development, Operations, Production Planning, Process Engineering, etc.,

Mr.R.Srikanthan is the member of Risk Management Committee, CSR & SD Committee, Stakeholders Relationship Committee, Board Project Committee and Planning & Projects Committee. He is holding 100 shares in the Company. Inter-se relationship between Directors is none.

Number of Board Meeting attended during 2018-19	: 4
Details of Directorships in other companies	: -
Membership / Chairmanship in the Committees of other companies	: -
No. of Shares held in the company as on date	: 100
Relationship between Directors and Key Managerial Personnel- None	

- 4) Mr.D.Duraiganesan, born on 02.06.1961 was appointed as independent Director on the Board of the Company w.e.f. 14.08.2018. He holds a Masters Degree in Arts and Diploma in Saiva Siddhanta. He is a Social Worker.

Number of Board Meeting attended during 2018-19	: 4
Details of Directorships in other companies	: -
Membership / Chairmanship in the Committees of other companies	: -
No. of Shares held in the company as on date	: -
Relationship between Directors and Key Managerial Personnel- None	

By order of the Board of Directors  
For Chennai Petroleum Corporation Limited

(P.Shankar)  
Company Secretary  
Regd. Office: 536, Anna Salai,  
Teynampet, Chennai 600 018  
Email id:shankarp@cpcl.co.in  
CIN: L40101TN1965GOI005389

Date : 29.06.2019  
Place : Chennai