ANNUAL REPORT 2003-04

Conserving nature. Nurturing growth.

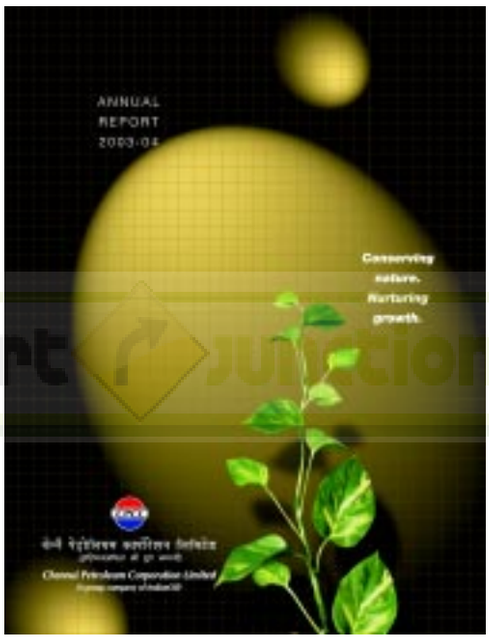


CPCL

चेन्नै पेट्रोलियम कार्पोरेशन लिमिटेड
(इंडियनऑयल की ग्रुप कम्पनी)

Chennai Petroleum Corporation Limited
(A group company of IndianOil)

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At CPCL, growth is a way of life - be it in terms of performance or taking initiatives in conserving nature or building enduring relationships. This way of life mirrors our deep-rooted conviction in the belief to lead.

Conceived as a grass root refinery with an installed capacity of 2.5 MMTPA in 1969 at Manali, CPCL has over the years not only become dual-locational but had steadily enhanced its capacity to 7.5 MMTPA. With the recent addition of the 3 MMTPA expansion project the total capacity now stands at 10.5 MMTPA. CPCL is also poised to produce environment friendly auto fuel which will meet the Bharat Stage II and Euro III specifications.

CPCL is taking giant steps to ensure better natural as well as commercial environment that provides the right impetus for consistent growth. And to this end, we are leaving no stone unturned.

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REGISTERED OFFICE
No.536, Anna Salai, Teynampet
Chennai - 600 018

REFINERIES
Manali Refinery
Manali, Chennai - 600 068

Cauvery Basin Refinery
Panangudi Village
Nagapattinam District, Tamilnadu

Visit CPCL at
www.cpcl.co.in

PRINCIPAL BANKER
State Bank of India
Corporate Accounts Group Branch
Greams Road, Chennai - 600 006

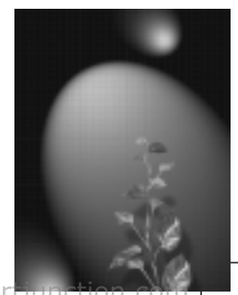
AUDITORS
M/s. Padmanabhan Prakash & Co.,
Chartered Accountants, Chennai

M/s. B. Purushottam & Co.,
Chartered Accountants, Chennai

REGISTRARS &
SHARE TRANSFER AGENTS
M/s. Karvy Computershare
Private Limited
46, Avenue 4, Street No.1
Banjara Hills, Hyderabad - 500 034

G-1, Swathy Court,
22, Vijayaraghava Road,
T.Nagar, Chennai - 600 017

33/1, Venkataraman Street,
T. Nagar, Chennai - 600 017



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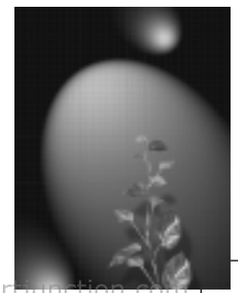


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Corporate Information

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Board of Directors

Mr. M.S. Ramachandran
Chairman

Mr. S.V. Narasimhan
Managing Director

Mr. R. Sankaran
Director (Technical) and
Director (Operations) i/c

Mr. N.C. Sridharan
Director (Finance)

Mr. Jaspal Singh
Director (Refineries)
Indian Oil Corporation Limited

Mr. S.K. Swaminathan
Executive Director (Lubes)
Indian Oil Corporation Limited

Mr. P.K. Goyal
Executive Director
(Corporate Finance)
Indian Oil Corporation Limited

Mr. K.K. Acharya
Executive Director (Operations)
Indian Oil Corporation Limited

Mr. Prabh Das, I.A.S.,
Joint Secretary to Government of India,
Ministry of Petroleum & Natural Gas

Mr. L. Sabaretnam
Chief Executive Officer
ICL Sugars Limited

Mr. M. Vaezi
Director
Naftiran Intertrade Co. Ltd.

Mr. M.B. Samiei Khonsari
Deputy Finance Director
National Iranian Oil Company

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Executives

Mr. A. Kasturi Rangan
Executive Director (Operations)

Mr. S. Velumani
General Manager (Corporate Planning)

Mr. V. R. Raman
General Manager
(Logistics & Planning / R & D)

Mr. S. Pandarinathan
General Manager (Technical)

Mr. N.K. Natarajan
General Manager (Cauvery Basin Refinery)

Mr. S. Chandrasekaran
General Manager (Manufacturing)

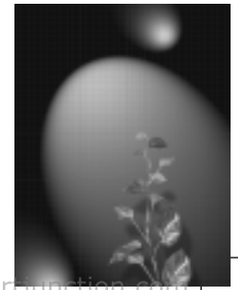
Mr. R. Anand
General Manager (Projects & Development)

Mr. N. Sethurathinam
Chief Vigilance Officer (i/c)

Mr. V. Natarajan
General Manager (Finance)

Mr. V. Srinivasan
General Manager (Human Resources) &
Company Secretary

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Notice

Notice is hereby given that the 38th Annual General Meeting of the Shareholders of the Company will be held at 3.00 P.M. on Monday, the 23rd August 2004 at Kamaraj Arangam, 492, Anna Salai, Teynampet, Chennai-600 006 to transact the following businesses:

ORDINARY BUSINESSES :

1. To receive, consider and adopt the Audited Profit & Loss Account of the Company for the period from 1st April 2003 to 31st March 2004 and the Audited Balance Sheet as at 31st March 2004, together with the Directors' Report and the Auditors' Report.
2. To declare Dividend.
3. To appoint a Director in place of Mr.L.Sabaretnam, who retires and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr.M.S.Ramachandran, who retires and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr.R.Sankaran, who retires and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Mr.Prabh Das, who retires and being eligible, offers himself for re-appointment.
7. To appoint a Director in place of Mr.Jaspal Singh, who retires and being eligible, offers himself for re-appointment.

SPECIAL BUSINESSES :

8. APPOINTMENT OF MR.S.K.SWAMINATHAN AS A DIRECTOR

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

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

9. APPOINTMENT OF MR.N.C.SRIDHARAN AS A DIRECTOR

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

   "RESOLVED that Mr.N.C.Sridharan be and is hereby appointed as a Director of the Company."

10. APPOINTMENT OF MR.P.K.GOYAL AS A DIRECTOR

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

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

11. APPOINTMENT OF MR.K.K.ACHARYA AS A DIRECTOR

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

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

By order of the Board
V. Srinivasan
General Manager (Human Resources) &
Company Secretary

Date : June 25, 2004
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.

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3. 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.

4. Members/Proxies should bring their attendance slip, duly filled in, to the meeting.

5. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of resolutions set out under "Special Businesses" of the Notice is annexed.

6. The Register of Members and the Share Transfer Books of the Company will remain closed from 14th August 2004 to 23rd August 2004 (both days inclusive).

7. Members are requested to immediately intimate any change in their addresses registered with the Company.

8. Members are informed that the Company is extending the Electronic Clearing Service (ECS) facility to the Members to enable them to receive their Dividend through electronic mode to their bank account. The ECS facility is available for the remittance of Dividend upto Rs.5 lakh. In order to avail the ECS facility, the Members are requested to fill, sign and send the ECS mandate form, which forms part of the Annual Report, along with a photocopy of the cheque issued by the Bank for verifying the accuracy of the MICR Code Number, to:

   a) M/s.Karvy Computershare Private Limited, 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad-500 034 (in case of Members holding shares in physical mode).

   b) the Depository Participants concerned (in case of Members holding shares in electronic mode/dematerialised form).

9. Members, who hold shares in the dematerialised form, are requested to bring their depository account number for identification.

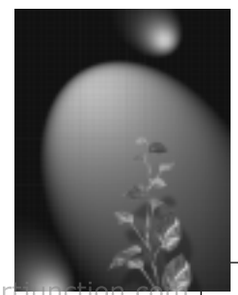
10. Dividend, upon its declaration at the Meeting, will be paid in respect of physical shares to those Members, whose names appear in the Register of Members of the Company as on 23rd August 2004 and in respect of electronic shares, to those members, whose names appear in the Beneficial List to be furnished by the depositories to the Company for this purpose. Shares that are partly paid as on 31.03.2004 will be eligible for Dividend, in proportion to the amount paid-up as on that date.

11. The unclaimed dividend declared at the 31st AGM held on 22.09.1997 for the financial year ended 31.03.1997 will be transferred by the Company on or before 21.10.2004 to the Investor Education and Protection Fund in accordance with the rules framed in this regard by the Central Government. Therefore, Members who have not encashed their Dividend Warrants in respect of the above dividend, validity period of which has expired, may approach either the Company or its Share Transfer Agents, viz., Karvy Computershare Private Limited, for obtaining duplicate Dividend Warrants immediately.

12. The unclaimed dividend declared at the 32nd AGM held on 24.09.1998 for the financial year ended 31.03.1998 will be transferred by the Company on or before 23.10.2005 to the Investor Education and Protection Fund in accordance with the rules framed in this regard by the Central Government. Therefore, Members who have not encashed their Dividend Warrants in respect of the above dividend, validity period of which has expired, may approach either the Company or its Share Transfer Agents, viz., Karvy Computershare Private Limited, for obtaining duplicate Dividend Warrants immediately.

13. A brief Resume of the Directors of the Company, seeking appointment/re-appointment at this Annual General Meeting and their expertise in specific functional areas is given as part of the Explanatory Statement.

14. **Inspection of Documents :** The relevant documents are available for inspection by the members at the Registered Office of the Company at any time during the working hours till the date of the meeting.



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Explanatory Statement pursuant to Section 173 (2)
of the Companies Act, 1956

Item No.8

Mr.S.K.Swaminathan was appointed as an Additional Director with effect from 01.10.2003. As per the provisions of Section 260 of the Companies Act, 1956, Mr.S.K.Swaminathan will hold office only upto the date of the thirty-eighth Annual General Meeting.

A Notice under Section 257 of the Companies Act, 1956, has been received proposing the appointment of Mr.S.K.Swaminathan as a Director. Hence, this resolution is proposed.

Memorandum of Interest :

None of the Directors is interested in the resolution except Mr.S.K.Swaminathan.

Item No.9

Mr.N.C.Sridharan was nominated by Government of India for appointment as Director (Finance) under Article 86(c) read with Clause 2.5B of the Formation Agreement in place of Mr.S.V.Narasimhan. Mr.N.C.Sridharan was appointed as an Additional Director with effect from 05.03.2004. As per the provisions of Section 260 of the Companies Act, 1956, Mr.N.C.Sridharan will hold office only upto the date of the thirty-eighth Annual General Meeting.

A Notice under Section 257 of the Companies Act, 1956, has been received proposing the appointment of Mr.N.C.Sridharan as a Director. Hence, this resolution is proposed.

Memorandum of Interest :

None of the Directors is interested in the resolution except Mr.N.C.Sridharan.

Item No.10

Mr.P.K.Goyal was appointed as an Additional Director with effect from 09.03.2004 in place of Mr.Chandan Dasgupta. As per the provisions of Section 260 of the Companies Act, 1956, Mr.P.K.Goyal will hold office only upto the date of the thirty-eighth Annual General Meeting.

A Notice under Section 257 of the Companies Act, 1956, has been received proposing the appointment of Mr.P.K.Goyal as a Director. Hence, this resolution is proposed.

Memorandum of Interest :

None of the Directors is interested in the resolution except Mr.P.K.Goyal.

Item No.11

Mr.K.K.Acharya was appointed as an Additional Director with effect from 14.05.2004 in place of Mr.P.S.Rao. As per the provisions of Section 260 of the Companies Act, 1956, Mr.K.K.Acharya will hold office only upto the date of the thirty-eighth Annual General Meeting.

A Notice under Section 257 of the Companies Act, 1956, has been received proposing the appointment of Mr.K.K.Acharya as a Director. Hence, this resolution is proposed.

Memorandum of Interest :

None of the Directors is interested in the resolution except Mr.K.K.Acharya.

BRIEF RESUME OF THE DIRECTORS OF THE COMPANY, SEEKING APPOINTMENT / RE-APPOINTMENT AT THIS ANNUAL GENERAL MEETING

1. Mr.L.Sabaretnam was appointed on the Board effective 28.02.2002. He is a Post-Graduate in Business Administration from the University of Madras. He is the Chief Executive Officer of ICL Sugars Limited.

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