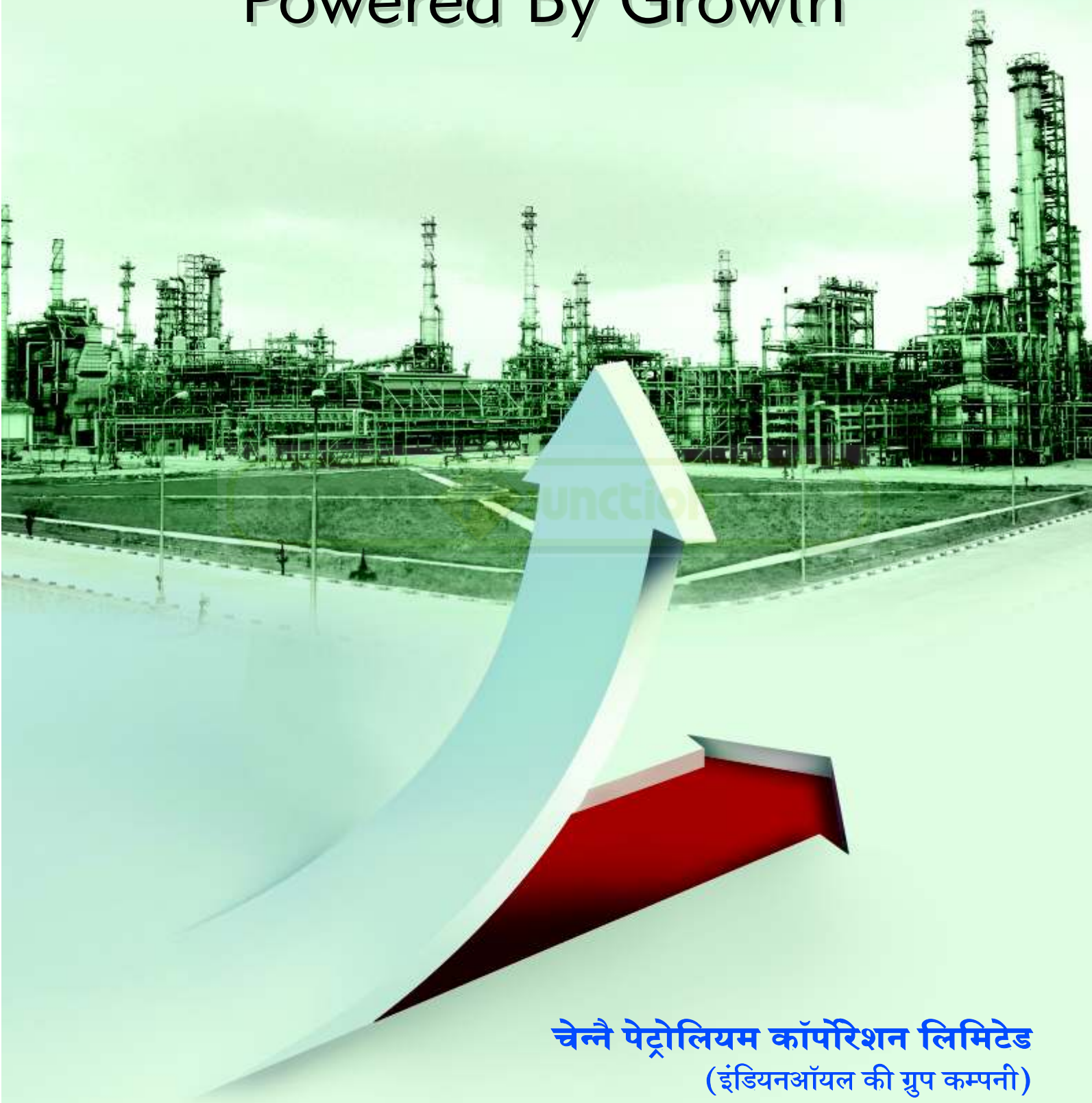




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चेन्नै पेट्रोलियम कॉर्पोरेशन लिमिटेड
(इंडियनऑयल की ग्रुप कम्पनी)

Chennai Petroleum Corporation Limited

(A group company of IndianOil)



Out performance.

The inevitable driving force
that inspires us to ascend greater heights.

Every year, we outperform ourselves
and set new rules of progress.

Revolutionary innovations,
far-sighted plans, futuristic moves
synergized with high standards
of work ethics have made
this growth studded
journey more rewarding.

संवृद्धि द्वारा शक्तिशाली Powered By Growth

वार्षिक प्रतिवेदन 2006 - 2007

ANNUAL REPORT 2006 - 2007

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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, Tamil Nadu

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

Plot No. 17 to 24, Vithalrao Nagar,
Madhapur, Hyderabad - 500 081

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

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





Chennai Petroleum Corporation Limited

Vision

*Chennai Petroleum Corporation will be
a world class Energy company,*

*well respected and consistently profitable,
with a dominant presence in South India.*

Mission

To maximize profit through

- *the manufacturing and supply of petroleum products and*
- *other related businesses*

in a reliable, ethical and socially responsible manner

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Board of Directors

Mr. S. Behuria

Chairman

Mr. K.K. Acharya

Managing Director

Mr. N.C. Sridharan

Director (Finance)

Mr. S. Chandrasekaran

Director (Technical)

Mr. K. Balachandran

Director (Operations)

Mr. A.M. Uplenchwar

Director (Pipelines)

*Indian Oil Corporation Limited
(upto 31.07.2007)*

Mr. B.N. Bankapur

Director (Refineries)

Indian Oil Corporation Limited

Mr. M. Vaezi

*Director,
Naftiran Intertrade Company
Limited*

Mr. Mansoor Rad

*Finance Director,
Naftiran Intertrade Company
Limited*

Mr. L. Sabaretnam

*Chief Executive Officer,
ICL Sugars Limited*

Mr. K. Suresh, I.A.S.

Chairman, Chennai Port Trust

Mr. Venkatraman Srinivasan

*Senior Partner,
V. Sankar Aiyar & Co.,
Chartered Accountants*

Prof. M.S. Ananth

*Director, Indian Institute of Technology, (IIT),
Chennai.*

Mr. K.L. Kumar

*Former Chairman & Managing Director,
Kochi Refineries Limited*

Mr. Ravi Capoor, I.A.S.

*Executive Director, Petroleum
Conservation Research Association
Government of India*

Mr. Pramod Nangia

*Director (M),
Government of India,
Ministry of Petroleum & Natural Gas*

Executives

Mr. N. Sankaran

Chief Vigilance Officer

Mr. N.K. Natarajan

General Manager (Development and R & D)

Mr. R. Anand

General Manager (Engineering & Services)

Mr. V. Natarajan

General Manager (Finance)

Mr. V. Srinivasan

General Manager (Human Resources)

Mr. N.K. Rajamani

General Manager (Manufacturing)

Mr. N.V. Kalaivanan

General Manager (Cauvery Basin Refinery)

Mr. D. Selvaraj

General Manager (Maintenance)

Mr.K. Sankar

General Manager (Projects)

Mr. R. Chidambaram

General Manager (Logistics and Utilities)

Mr. M. Sankaranarayanan

Company Secretary





Notice

Notice is hereby given that the 41st Annual General Meeting of the Shareholders of the Company will be held at 3.00 P.M. on Monday the 10th September 2007 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 2006 to 31st March 2007 and the Audited Balance Sheet as at 31st March 2007, together with the Directors' Report and the Auditors' Report.
2. To declare Dividend.
3. To appoint a Director in place of Mr.Sarthak Behuria, who retires and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr.N.C.Sridharan, who retires and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr.S. Chandrasekaran, who retires and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Mr.L.Sabaretnam, who retires and being eligible, offers himself for re-appointment.
7. To appoint a Director in place of Mr.B.N.Bankapur, who retires and being eligible, offers himself for re-appointment.
8. To appoint a Director in place of Mr.Venkatraman Srinivasan, who retires and being eligible, offers himself for re-appointment.
9. To appoint a Director in place of Mr.K.Suresh, who retires and being eligible, offers himself for re-appointment.
10. To appoint a Director in place of Mr.K.L. Kumar, who retires and being eligible, offers himself for re-appointment.
11. To appoint a Director in place of Prof. M.S. Ananth, who retires and being eligible, offers himself for re-appointment.
12. To appoint a Director in place of Mr.Ravi Capoor, who retires and being eligible, offers himself for re-appointment.
13. To appoint a Director in place of Mr.Pramod Nangia, who retires and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

14. APPOINTMENT OF MR.K. BALACHANDRAN 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. BALACHANDRAN be and is hereby appointed as a Director of the Company."

Date : 06.08.2007
Place : Chennai

By order of the Board
M. SANKARANARAYANAN
Company Secretary

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. 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. 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.
6. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of resolutions set out under "Special Business" of the Notice is annexed.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from 28.8.2007 to 10.9.2007 (both days inclusive).
8. Members are requested to immediately intimate any change in their addresses registered with the Company.
9. 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. In order to avail the ECS facility, the Members are requested to fill, sign and send the ECS mandate form, which forms part of this Annual Report, alongwith 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, Plot No.17 to 24, Vithalrao Nagar, Madhapur, Hyderabad – 500 081 (in case of Members holding shares in physical mode).
 - (b) the Depository Participants concerned (in case of Members holding shares in electronic mode/dematerialized form).
10. The shares of the company are compulsorily traded in dematerialized form and therefore, the shareholders are requested to dematerialize their shares to facilitate trading in CPCL shares.
11. As per the provisions of the Companies Act, 1956, shareholders 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.
12. The Board of Directors have recommended a Dividend of 120% for the year 2006-2007. 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 10th September 2007 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.
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.





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

Item No.14

Mr. K. Balachandran was appointed as an Additional Director with effect from 01.10.2006. As per the provisions of Section 260 of Companies Act, 1956, Mr.K.Balachandran will hold office only upto the date of the forty first Annual General Meeting.

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

Memorandum of Interest:-

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

BRIEF RESUME OF THE DIRECTORS OF THE COMPANY, SEEKING APPOINTMENT/RE-APPOINTMENT AT THE 41st ANNUAL GENERAL MEETING

1. Mr.Sarthak Behuria was appointed on the Board effective 01.03.2005. He is an alumnus of St. Stephen's College, Delhi and the Indian Institute of Management (IIM), Ahmedabad. He has more than three decades of experience in the field of refining and marketing. He joined Burma Shell in 1973 before he was absorbed in BPCL, where he served across the country, handling key portfolios in Supply and Distribution, Sales, Industrial Relations and Downstream Infrastructure. He took over as Director (Marketing) of BPCL in 1998, as CMD of BPCL in July 2002 and Chairman of IOCL in March 2005.
Mr.Sarthak Behuria is presently the Chairman of Indian Oil Corporation Limited, Bongaigaon Refinery and Petrochemicals Limited, IndianOil Tanking Limited, Lanka-IOC Limited and IndianOil Skytanking Limited.
2. Mr.N.C.Sridharan was appointed on the Board effective 05.03.2004, as Director (Finance). He is a Chartered Accountant and an Associate Member of the Institute of Company Secretaries of India. He has three decades of experience in Engineering, Chemical and Pharmaceuticals, Fibre, Cement, Cotton Spinning and Software industries in Corporate Finance, Treasury, Accounts, Loans Syndication, Project Finance, Commercial Taxation – Direct & Indirect and Secretarial & Legal. Prior to his appointment as Director (Finance), he was General Manager (Finance) in CPCL.
Mr.N.C.Sridharan is also a Director on the Board of Indian Additives Limited and National Aromatics and Petrochemicals Corporation Limited. He is a member of the Shareholders'/ Investors' Grievance Committee and Board Projects Sub-Committee of CPCL and Audit Committee of Indian Additives Limited.
3. Mr.S.Chandrasekaran was appointed on the Board effective 2.7.2006, as Director (Technical). He holds B.Tech Degree in Chemical Engineering from the Regional Engineering College, Trichy. Prior to joining CPCL in 1981, he had worked in Fertilizers Corporation of India Limited for six years. He has more than two decades of experience in the areas of Operations, Projects and Development, which includes two years as Head of Operations Section in KNPC, Kuwait. Prior to his appointment as Director (Technical), he was General Manager (i/c) in CPCL.
Mr. S. Chandrasekaran is also a Director on the Board of National Aromatics and Petrochemicals Corporation Limited. He is a Member of the Shareholders' / Investors' Grievance Committee and Board Projects Sub-Committee of CPCL.
4. 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.
Mr.L.Sabaretnam is the Chairman of Oriental Solutions Private Limited, Oriental Billing Services Private Limited, Archi Structural Constructions India Pvt. Ltd., and LMS Builders & Engineers Pvt. Ltd. He is a Director of Biosynth Life Sciences India Limited and Instream Solutions Limited.
He is an Advisor of India Cements Limited and Trustee of T.S.Narayanaswamy College of Arts and Science. He is a member of various business associations and social bodies.
Mr.L.Sabaretnam is the Chairman of the Audit Committee, Shareholders'/Investors' Grievance Committee and Board Projects Sub- Committee of CPCL.
5. Mr.B.N.Bankapur was appointed on the Board effective 17.01.2005. He is a Chemical Engineer from National Institute of Technology, University of Mysore. He has three decades of experience in different areas of Refinery Technology. He has also gained valuable experience in different activities like monitoring / execution and commissioning of India's first riser type FCC Project, trouble shooting, process safety and pollution control.
Mr.B.N.Bankapur is presently the Director (Refineries) of Indian Oil Corporation Limited. He is also a Director on the Board of Engineers India Limited. He is a Member of the Board Projects Sub-Committee of CPCL. He is also a Member of the Audit Committee of Engineers India Limited.