



चेन्नै पेट्रोलियम कॉर्पोरेशन लिमिटेड
(इंडियनऑयल की ग्रुप कम्पनी)

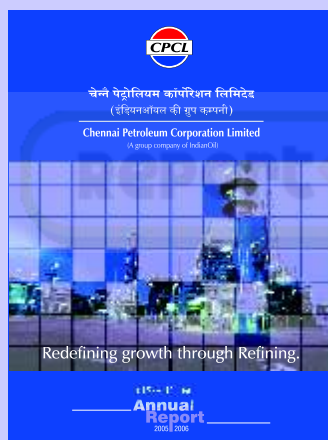
Chennai Petroleum Corporation Limited
(A group company of IndianOil)



Redefining growth through Refining.

वार्षिक रिपोर्ट

**Annual
Report**
2005 2006



At CPCL, surpassing our own standards of excellence has been a consistently occurring phenomenon. A humble journey started with a refining capacity of 2.5 MMTPA has now grown to be the largest refining company of South India.

A steely resolve to stick to quality, an unrelenting passion to tread on a consistent growth path, the finest of technology, care for environment, all put together, make CPCL a resounding success story, year after year.

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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**

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



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

Corporate Information

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Board of Directors

Mr. S. Behuria

Chairman

Mr. K.K. Acharya

Managing Director

Mr. R. Sankaran

Director (Technical)

(upto 30.04.2006)

Mr. N.C. Sridharan

Director (Finance)

Mr. A. Kasturi Rangan

Director (Operations)

Mr. S. Chandrasekaran

Director (Technical)

(from 02.07.2006)

Mr. A.M. Uplenchwar

Director (Pipelines)

Indian Oil Corporation Limited

Mr. B.N. Bankapur

Executive Director (Operations)

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 Ltd.*

Mr. Ravi Capoor, I.A.S.

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

Mr. Pramod Nangia

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

Executives

Mr. N. Sankaran
Chief Vigilance Officer

Mr. S. Velumani
General Manager (Corporate Planning)

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

Mr. N.K. Natarajan
General Manager (Projects)

Mr.R. Anand
General Manager (Maintenance)

Mr.N. Sethurathinam
General Manager (Vigilance)

Mr.V. Natarajan
General Manager (Finance)

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

Mr.N.K. Rajamani
General Manager (Logistics & Planning)

Mr.D. Jagannadha Rao
General Manager (Cauvery Basin Refinery)





Notice

Notice is hereby given that the 40th Annual General Meeting of the Shareholders of the Company will be held at 3.00 P.M. on Friday, the 25th August 2006 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 2005 to 31st March 2006 and the Audited Balance Sheet as at 31st March 2006, together with the Directors' Report and the Auditors' Report.
2. To declare Dividend.
3. To appoint a Director in the place of Mr.Sarthak Behuria, who retires and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Mr.N.C.Sridharan, who retires and being eligible, offers himself for re-appointment.
5. To appoint a Director in the place of Mr.A.Kasturi Rangan, who retires and being eligible, offers himself for re-appointment.
6. To appoint a Director in the place of Mr.L.Sabaretnam, who retires and being eligible, offers himself for re-appointment.
7. To appoint a Director in the place of Mr.A.M.Uplenchwar, who retires and being eligible, offers himself for re-appointment.
8. To appoint a Director in the place of Mr.B.N.Bankapur, who retires and being eligible, offers himself for re-appointment.
9. To appoint a Director in the place of Mr.Venkatraman Srinivasan, who retires and being eligible, offers himself for re-appointment.
10. To appoint a Director in the place of Mr.K.Suresh, who retires and being eligible, offers himself for re-appointment.

SPECIAL BUSINESSES:

11. APPOINTMENT OF MR.K.L.KUMAR 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.L.Kumar be and is hereby appointed as a Director of the Company."
12. APPOINTMENT OF PROF.M.S.ANANTH AS A DIRECTOR
To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED that Prof.M.S.Ananth be and is hereby appointed as a Director of the Company."
13. 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."
14. APPOINTMENT OF MR.RAVI CAPOOR 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.Ravi Capoor be and is hereby appointed as a Director of the Company."
15. APPOINTMENT OF MR.PRAMOD NANGIA 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.Pramod Nangia be and is hereby appointed as a Director of the Company."
16. APPOINTMENT OF MR.S.CHANDRASEKARAN 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.Chandrasekaran 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 : 07.07.2006
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. 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 Businesses" of the Notice is annexed.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from 18th August 2006 to 25th August 2006 (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, 21, 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/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 had declared an Interim Dividend of 30% for the year 2005-2006 in January 2006. The Board of Directors have recommended a Final Dividend of 90% for the year 2005-2006 making the aggregate Dividend at 120% for the year 2005-2006. Final 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 25th August 2006 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.11

Mr.K.L.Kumar was appointed as an Additional Director with effect from 31.12.2005. As per the provisions of Section 260 of the Companies Act, 1956, Mr.K.L.Kumar will hold office only upto the date of the fortieth Annual General Meeting.

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

Memorandum of Interest:-

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

Item No.12

Prof.M.S.Ananth was appointed as an Additional Director with effect from 31.12.2005. As per the provisions of Section 260 of the Companies Act, 1956, Prof.M.S.Ananth will hold office only upto the date of the fortieth Annual General Meeting.

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

Memorandum of Interest:-

None of the Directors is interested in the resolution except Prof.M.S.Ananth.

Item No.13

Mr.K.K.Acharya was appointed as an Additional Director with effect from 20.1.2006. 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 fortieth 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.

Item No.14

Mr.Ravi Capoor was appointed as an Additional Director with effect from 27.02.2006, in the place of Mr.Prabh Das. As per the provisions of Section 260 of the Companies Act, 1956, Mr.Ravi Capoor will hold office only upto the date of the fortieth Annual General Meeting.

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

Memorandum of Interest:-

None of the Directors is interested in the resolution except Mr.Ravi Capoor.

Item No.15

Mr.Pramod Nangia was appointed as an Additional Director with effect from 27.02.2006. As per the provisions of Section 260 of the Companies Act, 1956, Mr.Pramod Nangia will hold office only upto the date of the fortieth Annual General Meeting.

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

Memorandum of Interest:-

None of the Directors is interested in the resolution except Mr.Pramod Nangia.

Item No.16

Mr.S.Chandrasekaran was appointed as an Additional Director with effect from 02.07.2006. As per the provisions of Section 260 of the Companies Act, 1956, Mr.S.Chandrasekaran will hold office only upto the date of the fortieth Annual General Meeting.

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

Memorandum of Interest:-

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