

# चेन्नै पेट्रोलियम कॉर्पोरेशन लिमिटेड

(इंडियनऑयल की ग्रुप कम्पनी)

**Chennai Petroleum Corporation Limited**

(A group company of IndianOil)



CS:01:049

January 4, 2017

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.: Corporate Governance Report for the quarter ended 31.12.2016**

----

Pursuant to Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed the Corporate Governance Report for the quarter ended 31.12.2016.

Thanking you,

Yours faithfully,  
*for Chennai Petroleum Corporation Limited*

*P. Shankar*

**(P.Shankar)**

Company Secretary

Copy to:

National Securities Depository Limited, Mumbai  
Central Depository Services (India) Limited, Mumbai

*A. Anand*  
4/1/17

Name of Listed entity : Chennai Petroleum Corporation Limited (L40101 TN1965GOI005389)  
Quarter ending : 31<sup>st</sup> December 2016

**(I) Composition of Board of Directors**

Title (Mr. / Mrs.)	Name of the Director	PAN & DIN	Category (Chairperson / Executive / Non-Executive / Independent / Nominee)	Date of Appointment in the current term / cessation	Tenure (to be filled in only for ID)	No. of Directorship in listed entities including this listed entity	Number of memberships in Audit / Stakeholder Committee (s) including this listed entity	No of post of Chairperson in Audit / Stakeholder Committee held in listed entities including this listed entity
Mr.	B. Ashok	AAMPA5583A 06861345	Chairman – Non- Executive	24-07-2014 Till he continues to hold the post of CH, IOCL or until further orders from MOPNG whichever is earlier	NA	2 (IOCL & CPCL)	-	-
Mr	Gautam Roy	AAEPR7731F 06659522	Managing Director- Executive	14.10.2014 31.01.2018	NA	1 (CPCL)	-	-
Mr.	S.Venkataramana	AACPV0038P 03282268	Director (Operations)- Executive	03.10.2010 30.06.2017	NA	1 (CPCL)	-	-
Mr.	U.Venkata Ramana	AADPU2783R 07029234	Director (Technical)- Executive	01.12.2014 31.07.2018	NA	1 (CPCL)	1(SRC)	-
Mr.	S.Krishna Prasad	AKQPK8497D 03065333	Director (Finance)- Executive	09.01.2015 31.01.2018	NA	1 (CPCL)	1 (SRC)	-
Mr.	Sanjiv Singh	AANPS1390Q 05280701	Non-Executive	03.07.2014 (Till further orders from IOCL, Appointing Authority)	NA	2(IOCL& CPCL)	1(AC)	-
Mr.	K.M.Mahesh	AJZPM8916D 07402110	Nominee	12.01.2016 (Till further orders from MOPNG)	NA	1	2(AC&SRC)	2(AC&SRC)
Mr.	G.Ramaswamy	AAQPR7905R 03048826	Independent Director	<b>09.10.2013</b>	<b>08.10. 2016</b>	1 (CPCL)	-	2 (AC & SRC)

Mr.	Yasin Rezazadeh	AADCN0259L 06827583	Non-Executive	23.03.2015 (Till further orders from NICO, Appointing Authority)	NA	2 (CPCL & MFL)	2 (AC)-CPCL/MFL	-
Mr.	Alireza Zamani	AADCN0259L 07166133	Non-Executive	23.03.2015 (Till further orders from NICO, Appointing Authority)	NA	2 (CPCL & MFL)	1(SRC)-CPCL 1-AC-MFL	-

Name of Committee	Name of Committee Members	Category (Chairperson / Executive / Non-Executive / Independent / Nominee)
1. Audit Committee	Shri K.M.Mahesh , Chairman Shri. Sanjiv Singh , Member Shri Alireza Zamani, Member	Nominee Non-Executive Non-Executive
2. Nomination & Remuneration Committee	Shri Sanjiv Singh, Chairman Shri K.M.Mahesh, Member Shri.Alireza Zamani, Member	Non-Executive Nominee Non-Executive
3. Risk Management Committee	NA	
4. Stakeholders' Relationship Committee	Shri K.M.Mahesh, Chairman Shri Alireza Zamani, Member Shri U.Venkata Ramana, Member Shri S.Krishna Prasad, Member	Nominee Non-Executive Executive Executive

**(II) Meeting of Board of Directors**

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Maximum gap between any two consecutive (in number of days)
06.07.2016 06.09.2016	14.11.2016	68 days

**(III) Meeting of Committees -**

**a) Audit Committee**

Date(s) of meeting of the Committee in the relevant quarter	Whether requirement of quorum met (details)	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days
14.11.2016	No *	06.09.2016	68 days

- Consequent to the completion of tenure of Shri G.Ramaswamy, independent director effective 08.10.2016, the Audit Committee was re-constituted with the induction of Shri.Sanjiv Singh , Non Executive Director as a member and designating Shri K.M.Mahesh , Government Director as Chairman and inducting Shri.Alireza Zamani , Non Executive Director as a member in place of Shri Yasin Rezazadeh . Shri.S.Krishna Prasad , Director(Finance) ceased to be a member and made Permanent Invitee . The company requested Ministry of Petroleum and Natural Gas, Government of India, to consider appointment of minimum two independent Directors immediately to comply with the requirement.

**b) Stakeholders Relationship Committee**

Date(s) of meeting of the Committee in the relevant quarter	Whether requirement of quorum met (details)	Date(s) of meeting of the committee in the previous quarters	Maximum gap between any two consecutive meetings in number of days
14.11.2016	Yes	-	-

1

c) Nomination & Remuneration Committee

Date(s) of meeting of the Committee in the relevant quarter	Whether requirement of quorum met (details)	Date(s) of meeting of the committee in the previous quarters	Maximum gap between any two consecutive meetings in number of days
Nil	No	06.07.2016 06.09.2016	-

- **Note:** . The company requested Ministry of Petroleum and Natural Gas, Government of India, to consider appointment of minimum two independent Directors immediately to comply with the requirement.

d) Risk Management Committee – NA

(IV) Related Party Transactions

Subject	Compliance Status (Yes / No / NA)
Whether prior approval of Audit Committee obtained	Yes
Whether shareholder approval obtained for material RPT	NA
Whether details of RPT entered into pursuant to omnibus approval have been reviewed by Audit Committee	Yes

(V) Affirmations

1	<p>The composition of Board of Directors is in terms of SEBI (Listing obligations and disclosure requirements) Regulations 2015, except independent directors including one Woman Director.</p> <p>The strength of the Board of CPCL was 9 Directors as on 31<sup>st</sup> December , 2016, comprising of One Non Executive Chairman who is the Chairman of Indian Oil Corporation Ltd (IOCL) , the holding company, 4 Whole time Functional Directors (including Managing Director), One director representing IOCL, 1 Non-Executive Government Nominee Director, and 2 Directors representing Naftiran Intertrade Company Limited, an affiliate of National Iranian Oil Company , one of the co-promoters , in terms of the Formation Agreement. The tenure of Mr.G.Ramaswamy , independent director , was completed on 08.10.2016. CPCL has not been able to comply with the requirement of 50% Independent Directors on its Board . Being a Government Company under the administrative control of the Ministry of Petroleum &amp; Natural Gas, the Directors are nominated by the Government of India. The Government of India is in the process of appointing Independent Directors including one Woman Director. The matter is being pursued by CPCL.</p>
2	<p>The composition of the following committees is in terms of SEBI (Listing Obligations and disclosure requirements) Regulations, 2015.</p> <p>a. Audit Committee - No b. Nomination and Remuneration Committee -No c. Stakeholders' Relationship Committee -Yes d. Risk Management Committee -NA</p> <p>The composition of the Audit Committee and Nomination and Remuneration Committee is not in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.The company has written to Ministry of Petroleum &amp; Natural Gas (MoP&amp;NG), Government of India, for appointment of minimum 2 Independent Directors to ensure compliance with the requirement.</p>
3	The Committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4	The meetings of the Board of Directors and Stakeholders Relationship Committee have been conducted in the manner as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
5	This report will be placed before Board of Directors.

*P Shankar*

(P.Shankar)

Company Secretary

04.01.2017