



## **INDIAN OIL CORPORATION LIMITED**

**Minutes of the 55<sup>th</sup> Annual General Meeting of Indian Oil Corporation Limited held on Wednesday, the 27<sup>th</sup> August, 2014 at 1030 hrs. at Nehru Centre Auditorium, Worli, Mumbai**

### **Present:**

1. Shri B. Ashok, Chairman
2. Shri P.K. Goyal, Director (Finance)
3. Shri M. Nene, Director (Marketing)
4. Shri V.S. Okhde, Director (Pipelines)
5. Shri Sanjiv Singh, Director (Refineries)
6. Dr. S.C. Khuntia, Government Director
7. Smt. Shyamala Gopinath, Independent Director and Chairperson of Audit Committee
8. Shri Akhilesh Kumar from Ministry of Petroleum & Natural Gas, Govt. of India as Representative of President of India
9. 490 Members by themselves or through their proxies were present at the meeting.

### **In attendance:**

Shri Raju Ranganathan

Company Secretary

The Chairman welcomed the members to the 55<sup>th</sup> Annual General Meeting of the Company and called the meeting to order. The Company Secretary confirmed that quorum is present.

The Notice of the Annual General Meeting was taken as read with the consent of the members present at the meeting.

The Company Secretary read the Auditors' Report.

The Chairman thereafter addressed the members.

The Chairman began his address by welcoming the members. He stated that this is his first opportunity to interact with members after taking over



as Chairman and he looked forward for their continued support for taking the Corporation forward and provide greater value to the stakeholders.

The Chairman stated that the global economic environment was challenging during the year 2013-14. However, the year brought some cause for cheer as compared to previous year with Euro Zone coming out of recession and registering positive growth. During the year, the global GDP growth decelerated to 3% from 3.2% in 2012. Emerging economies were also hit by financial turbulences due to withdrawal of currencies as a result of tapering of Quantitative Easing.

The Chairman stated that the Indian economy too went through a tough time and the growth for 2<sup>nd</sup> straight year, was below 5%. For most of the last year, the economy was hamstrung by rising inflation rates although slightly lower than the previous year. Fuel inflation remained in double digits in the last three quarters due to rationalization of tariff of electricity in many states. The Index of industrial production showed positive growth, which had performed poorly in the previous year. He added that the GDP outlook of 5.4% to 5.9% projected for 2014-15 portends for revival of economy. He further stated that the Oil & Gas sector went through severe turbulence during the year due to geopolitical unrest and resultant oil price fluctuations. During the year, the average international crude oil prices fell, Brent price moderating to USD 107.6 per bbl from USD 110.1 per bbl in 2012-13. The crude oil price fluctuated during the year due to supply outages in Syria, Libya, Nigeria, Iraq and Iran.

During the year, demand for refined petroleum products in India was hit severely, with total consumption of 158.2 MMT registering a marginal growth of 0.7 per cent, which is the lowest growth recorded since 2001-02 mainly due to the weakening economic growth and decline in industrial output. However, the New Year has started with positive notes, registering growth in POL consumption.

Highlighting the performance of the Corporation for the year 2013-14, the Chairman stated that the Corporation recorded the highest turnover of Rs.4,57,553 crore during the year. The net profit of the Corporation rose to Rs.7,019 crore registering a growth of 40.24%. The refineries achieved a throughput of 53.13 MMT and the Pipelines Division achieved a throughput of 73.07 MMT. The Corporation maintained its leadership



position for the year 2013-14 with market share of 47.1% achieving domestic sales of 67.14 MMT of petroleum products. IndianOil is the highest ranked Indian Company in the top 100 list of Global "Fortune 500" list at 96<sup>th</sup> position.

The Chairman also highlighted the various initiatives taken by the Corporation in its various segments, viz. Refining, Marketing, Pipelines, Research & Development, Petrochemicals, Gas, Exploration & Production etc. He also mentioned the initiatives taken in the sphere of Corporate Social Responsibility and Corporate Governance.

The Chairman stated that the Corporation is well tuned to the changing market needs and to take advantage of growing opportunities. Capital investment of about Rs.12,000 crore has been planned for 2014-15 and the Corporation has a Capex target of Rs.56,200 crore for various projects in the XII<sup>th</sup> Five Year Period. As one of the largest customer service organization in the world, Customer Centricity has been a major focus and the Corporation would strive to consolidate its position of being the "Company of Choice" for the customers. The 15 MMTPA state-of-the-art Paradip Refinery is nearing completion and is likely to be commissioned during the current financial year.

The Chairman concluded his speech by placing on record the appreciation for dedication and hard work of members of IndianOil family for achieving various milestones during the year. He also thanked the Govt. of India particularly the Ministry of Petroleum & Natural Gas and the various State Government, regulatory and statutory authorities for their valuable guidance and support. He expressed his appreciation for the continued support of all the stakeholders. He also placed on record the appreciation for the valuable services rendered by the Directors whose tenure came to an end during the year.

The members observed two minutes silence in the memory of Shri Sudhir Bhalla, Director(HR) of the Corporation, who expired after prolonged illness on 22.05.2014.

Thereafter, the Chairman informed the members that in line with the provisions of Companies Act 2013 and rules notified thereunder, the Corporation had provided e-voting facility to its members between 9.30



a.m. on 21<sup>st</sup> August, 2014 to 5.30 p.m. on 23<sup>rd</sup> August, 2014 to cast their vote on the resolutions proposed in the Notice of the Annual General Meeting. To enable those members who could not exercise their vote through e-voting process, facility, the Chairman ordered for vote to be taken at the Annual General Meeting by means of ballot paper. The ballot papers for the voting were made available to members. The Chairman further informed that there would be no voting by show of hands as per rules notified under the Companies Act 2013.

On the advise of Chairman, the Company Secretary explained the poll procedure. The members were informed that the Company has appointed Shri Nrupang B.Dholakia, a Practicing Company Secretary to conduct the scrutiny of e-voting as well as voting at the Annual General Meeting.

The scrutinizer displayed the empty ballot box and locked it in the presence of the members. The ballot box was kept at the registration counter of the auditorium to enable the members to exercise their voting right.

The Company Secretary read out the following business items at the AGM, which were proposed and seconded by the members:

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2014.  
Proposed by: Shri Prakash Vijaykar (IN300360/20747838)  
Seconded by: Shri Yusuf Rangwala (1601010000232396)
2. To declare dividend on equity shares for the year 2013-14.  
Proposed by: Shri Gautam Tiwari (1301190300026856)  
Seconded by: Smt.Homayun Pouredahi (1302590001130673)
3. To appoint a Director in place of Shri M. Nene, who retires by rotation and is eligible for re-appointment.  
Proposed by: Shri Hiranand Kotwani (IN300183/12015804)  
Seconded by: Smt.C.E.Mascarenhas (1205140000090218)



4. To appoint a Director in place of Shri V. S. Okhde, who retires by rotation and is eligible for re-appointment.  
Proposed by: Shri Yusuf Rangwala (1601010000232396)  
Seconded by: Shri Sudhir Parekh (IN300360/22638438)
5. To appoint Shri Sanjiv Singh as Director of the Company.  
Proposed by: Smt.C.E.Mascarenhas (1205140000090218)  
Seconded by: Smt.Homayun Pouredehi (1302590001130673)
6. To appoint Shri Ashok Balasubramanian as Chairman of the Company.  
Proposed by: Shri Shailesh Mehta (IN300095/10345720)  
Seconded by: Shri Gautam Tiwari (1301190300026856)
7. To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2015.  
Proposed by: Shri Hiranand Kotwani (IN300183/12015804)  
Seconded by: Shri Prakash Vijaykar (IN300360/20747838)

The Chairman, thereafter, invited members to raise queries on the Annual Accounts, the Directors' Report and the agenda of the Meeting as mentioned in the notice convening the meeting. He requested the members not to raise issues of personal nature and matters not relevant to the agenda of the AGM.

With a view to facilitate participation of more members and to provide equal opportunities to speak, the Chairman allotted five minutes to each speaker.

23 Members viz. Smt. Homayun Pourdehi, Shri Ghanshyam Bharucha, Shri Shailesh Mehta, Shri Hiranand Kotwani, Shri N.C.Mapara, Shri Mihir Manek, Shri Yusuf Rangwala, Shri Gautam Tiwari, Shri Noshir Gotla, Shri Suresh Kamath, Shri Bharat Shah, Smt.Smita Shah, Shri Seshan Krishnamoorthy, Shri Michael Martins, Shri Vinay Bhide, Smt.C. Mascarenhas, Shri Dinesh Bhatia, Shri Sudhir Vartak, Shri Roland Fernandes, Shri P.K.Agnihotri, Smt.H.S.Patel, Shri T.M.Davar and Shri H.V.Sanghvi raised various queries, sought clarifications and made



observations relating to the performance of the Corporation, which inter alia, included the following:-

- Appreciation for the improved financial performance of the Company as well as increased dividend as compared to 2012-13.
- Appreciation for compilation of the Annual Report and timely receipt of the same.
- Clarification on certain items appearing in the Balance Sheet, Profit & Loss Account, Schedules thereof.
- Dividend policy of the Corporation.
- Concern for the delay in receipt of compensation for the under-recoveries from the Government.
- Concern over the performance of CPCL and steps proposed by the Corporation for its revival.
- The status of Paradip Refinery Project and its likely impact on the performance of the Company.
- Performance of petrochemicals business and future prospects thereof.
- Issue of bonus shares considering the availability of sufficient reserves.
- Future prospects of upstream business and initiatives in Shale gas opportunities.
- Acquisition of stake in LNG Project in Canada, availability of LNG and future prospects thereof.
- Corporation's plans for monetizing its investments in ONGC / GAIL / OIL.
- Performance of various joint ventures and subsidiary companies.
- Appreciation for CSR initiatives of the Corporation.
- Status of joint ventures created for alternative sources of energy like Nuclear Power, Biofuel etc.
- Retail Outlets set up in various categories across the country and the retail outlets set up in Mumbai.
- Performance of aviation segment (ATF sales), both domestic and international and status of outstandings from Airlines.
- The impact of rupee depreciation on the financials of the Corporation.



The Chairman replied to the queries, observations and clarifications sought by the members on the various issues. The Chairman also clarified on common issues raised by number of members regarding the performance, future plans, issues relating to Annual Accounts and the other major initiatives of the Corporation. Shri P.K.Goyal, Director(F) replied to certain queries pertaining to Annual Accounts and Finance related issues of the Corporation.

The Chairman thanked the members for their active participation and detailed analysis of the Accounts as well as suggestions given by them, which would be reckoned by the Corporation for improving its performance.

The Chairman informed the members that the result of the e-voting and physical voting at the Annual General Meeting shall be notified to the Stock Exchanges and hosted on the website of the Corporation within 2 days.

Shri Sanjiv Singh, Director (Refineries) proposed vote of thanks.

#### **Combined Report of Scrutinizer for e-voting and poll at the meeting**

After the polling was completed, the ballot boxes were sealed by the Scrutinizer. The Scrutinizer alongwith the assistance of the Registrar & Transfer Agent of the Company viz. Karvy Computershare Pvt. Ltd., verified and counted the votes. The Scrutinizer after completing the poll process submitted his report on the poll process, e-voting and combined result at 1300 hrs. on 28<sup>th</sup> August, 2014. The results of the e-voting and the voting through ballot were declared at 1330 hrs. on 28<sup>th</sup> August, 2014, which is as under:-

#### **ORDINARY BUSINESS**

- 1. Adoption of Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2014 together with Reports of the Directors and the Auditors thereon.**

The combined result of the voting (e-voting and poll) is as under:



Promoter / Public	No. of Shares held	No. of Valid Votes Polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
Promoter & Promoter Group	1,66,49,65,562	1,66,49,65,562	100	1,66,49,65,562	NIL	100	NIL
Public – Institutional Holders	52,75,54,705	45,99,31,310	87.18	45,99,31,310	NIL	100	NIL
Public Others	1,22,844	1,08,999	88.73	1,07,145	1,812	98.30	1.66
<b>Total</b>	<b>2,19,26,43,111</b>	<b>2,12,50,05,871</b>	<b>96.92</b>	<b>2,12,50,04,017</b>	<b>1,812</b>	<b>99.99</b>	<b>0.01</b>

The following resolution was, therefore, passed with a majority of 99.99% votes:-

### **ORDINARY RESOLUTION**

“RESOLVED THAT the Audited Statement of Profit & Loss for the year ended March 31, 2014 and the Balance Sheet of the Company as on that date, together with the Reports of the Directors’ and Auditors’ thereon and the comments of the Comptroller and Auditor General of India, as placed before the meeting, be and are hereby approved.”

#### **2. Declaration of Dividend on Equity Shares for the year 2013-14**

The combined result of the voting (e-voting and poll) is as under:

Promoter / Public	No. of Shares held	No. of Valid Votes Polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
Promoter & Promoter Group	1,66,49,65,562	1,66,49,65,562	100	1,66,49,65,562	NIL	100	NIL
Public – Institutional Holders	52,75,54,705	45,99,31,310	87.18	45,99,31,310	NIL	100	NIL
Public Others	1,22,844	1,08,982	88.72	1,08,370	612	99.44	0.56
<b>Total</b>	<b>2,19,26,43,111</b>	<b>2,12,50,05,854</b>	<b>96.92</b>	<b>2,12,50,05,242</b>	<b>612</b>	<b>99.99</b>	<b>0.01</b>





The following resolution was, therefore, passed with a majority of 99.99% votes:-

### **ORDINARY RESOLUTION**

**“RESOLVED THAT** pursuant to the recommendations made by the Board of Directors, Dividend at the rate of Rs.8.70 per equity share of Rs.10/- each, be and is hereby declared for the financial year ended 31<sup>st</sup> March, 2014 and be paid to the shareholders whose names appear in the Register of Members and as per Beneficial Owners’ Position received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) (under electronic segment) as at the close of working hours on 19<sup>th</sup> August, 2014”.

### **3. Re-appointment of Shri M. Nene (DIN:01104975)**

The combined result of the voting (e-voting and poll) is as under:

Promoter / Public	No. of Shares held	No. of Valid Votes Polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
Promoter & Promoter Group	1,66,49,65,562	1,66,49,65,562	100	1,66,49,65,562	NIL	100	NIL
Public – Institutional Holders	52,75,54,705	45,99,31,310	87.18	45,99,31,310	NIL	100	NIL
Public – Others	1,22,844	1,08,967	88.70	1,05,297	3,482	96.63	3.20
<b>Total</b>	<b>2,19,26,43,111</b>	<b>2,12,50,05,839</b>	<b>96.92</b>	<b>2,12,50,02,169</b>	<b>3,482</b>	<b>99.99</b>	<b>0.01</b>

The following resolution was, therefore, passed with a majority of 99.99% votes:-

### **ORDINARY RESOLUTION**

**“RESOLVED THAT** Shri M. Nene, a Director retiring by rotation be and is hereby re-appointed as a Director of the Company.”



**4. Re-appointment of Shri V.S. Okhde (DIN:05123549)**

The combined result of the voting (e-voting and poll) is as under:

Promoter / Public	No. of Shares held	No. of Valid Votes Polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
Promoter & Promoter Group	1,66,49,65,562	1,66,49,65,562	100	1,66,49,65,562	NIL	100	NIL
Public – Institutional Holders	52,75,54,705	45,99,31,310	87.18	45,99,31,310	NIL	100	NIL
Public – Others	1,22,844	1,08,967	88.70	1,05,287	3,492	96.62	3.20
<b>Total</b>	<b>2,19,26,43,111</b>	<b>2,12,50,05,839</b>	<b>96.92</b>	<b>2,12,50,02,159</b>	<b>3,492</b>	<b>99.99</b>	<b>0.01</b>

The following resolution was, therefore, passed with a majority of 99.99% votes:-

**ORDINARY RESOLUTION**

**“RESOLVED THAT Shri V.S. Okhde, a Director retiring by rotation be and is hereby re-appointed as a Director of the Company.”**

**SPECIAL BUSINESS**

**5. Appointment of Shri Sanjiv Singh (DIN:05280701) as a Director of the Company**

The combined result of the voting (e-voting and poll) is as under:

Promoter / Public	No. of Shares held	No. of Valid Votes Polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
Promoter & Promoter Group	1,66,49,65,562	1,66,49,65,562	100	1,66,49,65,562	NIL	100	NIL
Public – Institutional Holders	52,75,54,705	45,99,31,310	87.18	45,99,31,310	NIL	100	NIL
Public – Others	1,22,844	1,08,999	88.73	1,07,945	824	99.03	0.76
<b>Total</b>	<b>2,19,26,43,111</b>	<b>2,12,50,05,871</b>	<b>96.92</b>	<b>2,12,50,04,817</b>	<b>824</b>	<b>99.99</b>	<b>0.01</b>



The following resolution was, therefore, passed with a majority of 99.99% votes:-

**ORDINARY RESOLUTION**

**“RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force, Shri Sanjiv Singh, who was appointed as an Additional Director and designed as Director (Refineries) by the Board of Directors effective 01.07.2014 pursuant to the provisions of Section 161(1) of the Companies Act 2013 and the Articles of Association of the Company 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 (Refineries) of the Company, liable to retire by rotation.”

**6. Appointment of Shri Ashok Balasubramanian (DIN:06861345) as Chairman of the Company.**

The combined result of the voting (e-voting and poll) is as under:

Promoter / Public	No. of Shares held	No. of Valid Votes Polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
Promoter & Promoter Group	1,66,49,65,562	1,66,49,65,562	100.00	1,66,49,65,562	NIL	100.00	NIL
Public – Institutional Holders	52,75,54,705	45,99,31,310	87.18	45,99,31,310	NIL	100.00	NIL
Public – Others	1,22,844	108,972	88.71	1,06,707	2,077	97.92	1.91
<b>Total</b>	<b>2,19,26,43,111</b>	<b>2,12,50,05,844</b>	<b>96.92</b>	<b>2,12,50,03,579</b>	<b>2,077</b>	<b>99.99</b>	<b>0.01</b>



The following resolution was, therefore, passed with a majority of 99.99% votes:-

**ORDINARY RESOLUTION**

“RESOLVED THAT pursuant to the provisions of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force, Shri Ashok Balasubramanian, who was appointed as an Additional Director and designed as Chairman by the Board of Directors effective 16.07.2014 pursuant to the provisions of Section 161(1) of the Companies Act 2013 and the Articles of Association of the Company 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 Chairman of the Company, not liable to retire by rotation.”

**7. Ratification of the remuneration of the Cost Auditors for the financial year ending 31st March, 2015**

The combined result of the voting (e-voting and poll) is as under:

Promoter / Public	No. of Shares held	No. of Valid Votes Polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – against	% of Votes in favour on votes polled	% of Votes against on votes polled
Promoter & Promoter Group	1,66,49,65,562	1,66,49,65,562	100	1,66,49,65,562	NIL	100	NIL
Public – Institutional Holders	52,75,54,705	45,99,31,310	87.18	45,99,31,310	NIL	100	NIL
Public – Others	1,22,844	1,08,941	88.68	1,05,385	3,456	96.74	3.17
<b>Total</b>	<b>2,19,26,43,111</b>	<b>2,12,50,05,813</b>	<b>96.92</b>	<b>2,12,50,02,257</b>	<b>3,456</b>	<b>99.99</b>	<b>0.01</b>



The following resolution was, therefore, passed with a majority of 99.99% votes:-

**ORDINARY RESOLUTION**

**“RESOLVED THAT** pursuant to the provisions of Section 148 and 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 aggregate remuneration of Rs.16.50 lakhs plus applicable taxes and out-of-pocket expenses payable to the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the various units of the Company for the financial year ending 31<sup>st</sup> March, 2015 be and is hereby ratified.”

The results were hosted on the website of the Company as well as notified to the Stock Exchanges on 28<sup>th</sup> August, 2014.

