



IndianOil

INDIAN OIL CORPORATION LIMITED

[CIN-L23201MH1959GOI011388]

Regd. Office: 'IndianOil Bhavan', G-9, Ali Yavar Jung Marg Bandra(E), Mumbai-400 051.

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POSTAL BALLOT NOTICE

To,

THE SHAREHOLDER(S) OF THE COMPANY

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Companies (Management and Administration) Rules, 2014 (hereinafter referred to as "the Rules") to the Shareholders of Indian Oil Corporation Limited (hereinafter referred to as "the Company") to seek their approval by way of postal ballot for the following Special Business:

- Borrowing limits upto Rs. 1,10,000 crore for both domestic and foreign borrowings as per the provisions of Section 180(1)(c) of the Act in order to meet its working capital requirement and capital expenditure programme.
- To create charge and/or mortgage on the moveable / immoveable properties of the Company for the borrowings in accordance with Section 180(1)(a) of the Act.
- To raise funds by issue of bonds (in the nature of debentures) upto Rs. 11,000 crore on private placement basis as per the provisions of Section 42 and Section 71 of the Act and the Rules notified thereunder.

Accordingly, the proposed special resolutions for the above special businesses alongwith the explanatory statement stating material facts and the justification are being sent along with a Postal Ballot form for consideration by the Shareholders. E-voting facility is also being provided to all shareholders' in compliance with Clause 35B of the Listing Agreement with the Stock Exchanges and Section 110 of the Act.

SPECIAL BUSINESS

1. BORROWING POWERS OF THE COMPANY

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

"RESOLVED THAT in supersession of the ordinary resolution passed by shareholders' through postal ballot on 20th October 2011 and pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force), the rules notified thereunder and the Articles of Association of the Company, approval of the Shareholders' be and is hereby accorded to the Board of Directors to borrow money through loans, advances, credit etc. for both domestic and foreign currency borrowings upto Rs. 1,10,000 crore (including Public Deposits but excluding temporary loans obtained from the Company's bankers in the ordinary course of business) from banks, financial institutions and other sources from time to time for the purpose of financing the working capital requirements as also for acquisition of capital assets and/or for the purpose of any other requirements of the Company, both for capital and revenue in nature, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes."

2. CREATION OF SECURITY ON THE PROPERTIES OF THE COMPANY IN FAVOUR OF THE LENDERS

To consider and, if thought fit, to pass the following resolutions as **Special Resolution**:

"RESOLVED THAT in supersession of the ordinary resolution passed by shareholders' through postal ballot on 20th October 2011 and pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), the rules notified thereunder and the Articles of Association of the Company and such other approvals as may be necessary, approval of the shareholders' be and is hereby accorded to the Board of Directors to mortgage and/or charge, in addition to the mortgages / charges created / to be created by the Company in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable / immoveable properties of the Company, both present and future and/or whole or any part of undertaking(s) of the Company in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowings of the Company availed / to be availed by way of loan(s) in foreign currency and/or rupee currency

and Securities (comprising fully / partly Convertible Debentures and/or Non-Convertible Debentures, on all or any of the above, with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rates notes / bonds or other debt instruments) issued / to be issued by the Company, from time to time, subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, together with interest at the respective agreed rates, additional interest, compound interest, in case of default accumulated interest, liquidated damages, commitment charges premia on prepayments, remuneration of the Agent(s) / Trustee(s), premium (if any) on redemption, all other costs, charges and expenses as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s) / Heads of Agreement(s), Trust Deed(s) or any other document, entered into / to be entered into between the Company and the Lender(s) / Agent(s) / Trustee(s), in respect of the said loans / borrowings / debentures / bonds or other securities and containing such specific terms and conditions covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s) / Agent(s) / Trustee(s).”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Board / Committee of the Board or officers authorized by them in this regard be and are hereby authorized to finalize, settle and execute such documents / deeds / writings / papers / agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulties or doubts that may arise with regard to borrowings and creating mortgages / charges as aforesaid.”

3. ISSUANCE OF NON-CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT BASIS

To consider and, if thought fit, to pass the following resolutions as **Special Resolutions**:

“**RESOLVED THAT** pursuant to the provisions of Sections 42 and 71 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force) as well as rules prescribed thereunder and applicable SEBI Guidelines, approval of the Shareholders’ be and is hereby accorded to the Board of Directors to issue secured / unsecured redeemable non-convertible bonds / debentures (“Bonds”) of face value aggregating upto Rs. 11,000 crore (from domestic as well as overseas market) during a period of one year from the date of approval by shareholders’ within the overall borrowing limits approved by Shareholders.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board / Committee of the Board or officers authorized by them in this regard be and is hereby authorized to do, from time to time, all such acts, deeds and things as may be deemed necessary in respect of issue of Bonds including but not limited to number of issues / tranches, face value, issue price, issue size, timing, amount, tenor, method of issuance, security, coupon / interest rate(s), yield, listing, allotment, appointment of various agencies and other terms and conditions of issue Bonds as they may, in their absolute discretion, deem necessary.”

By Order of the Board
For and on behalf of
Indian Oil Corporation Limited

Sd/-
(Raju Ranganathan)
Company Secretary

Place : Mumbai

Date : 5th July 2014

NOTES:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts is annexed hereto.
2. The notice is being sent to all the Shareholders, whose name appear in the register of Shareholders / beneficial owners position (BENPOS) as received from Depositories on Friday, 4th July 2014.
3. The Company has appointed Shri Nrupang B. Dholakia of M/s. Dholakia & Associates, a practicing Company Secretary, as scrutinizer, and in his absence Shri B. V. Dholakia of M/s. Dholakia & Associates as alternate scrutinizer, for conducting the postal ballot process in a fair and transparent manner.
4. In compliance with the provisions of Section 110 of the Act and the Rules notified thereunder and as per clause 35B of the Listing Agreement, the Company is offering e-voting facility to all those Shareholders whose email id is registered with the Company. Karvy Computershare Pvt. Ltd., the Registrar & Transfer Agent (RTA) will be facilitating e-voting to enable Shareholders to cast their votes electronically. However e-voting is optional and those Shareholders, who do not wish to or do not have access to e-voting facility, may cast their vote by means of a postal ballot form. Shareholders may please write to the Company / RTA for obtaining the postal ballot form along with self-addressed postage paid business reply envelope.
5. Shareholders desirous of exercising their vote by physical form are requested to carefully read the instructions printed in the postal ballot form and return the duly completed form, in the attached self addressed postage paid envelope so as to reach the scrutinizer on or before the close of working hours (i.e. 5.30 pm) on Friday, 8th August, 2014.

6. The procedure and instructions for e-voting are as follows:
- i. Open the web browser during the voting period and navigate to 'https://evoting.karvy.com'
 - ii. If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and had cast your vote earlier for any company, then your existing login id and password are to be used.
 - iii. If you are logging in for the first time, then enter the login credentials (i.e. user id, password & captcha) as given below:
 - (a) User Id:
 - For Shareholders holding shares in physical Form - Event No. followed by Folio Number registered with the Company
 - For Shareholders holding shares in Demat Form with:
 - NSDL - 8 Character DP ID followed by 8 Digits Client ID
 - CDSL - 16 digits beneficiary ID
 - (b) Password: The unique password as printed on the postal ballot form forwarded through the electronic notice
 - (c) Captcha: Enter the verification code i.e. enter the alphabets and numbers in the exact way as they are displayed on the screen.

Please contact the telephone no. 040-44655000 of the RTA for any clarification / help.
 - iv. After entering these details appropriately, click on "LOGIN".
 - v. Shareholders will then reach the "Password Change" menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that Shareholders holding shares in demat form would be able to use the user id and password for voting on resolutions of any other Company, on which they are eligible to vote, provided that the Company opts for e-voting through Karvy Computershare Private Limited e-Voting platform. System will prompt you to update any contact details like mobile number, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. You need to login again with the new credentials.
 - vii. On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.
 - viii. On the voting page, you will see the description of the resolution alongwith the option 'FOR / AGAINST / ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR / AGAINST / ABSTAIN' or alternatively you may partially enter any votes in 'FOR' and partially in 'AGAINST', such that the total number of shares in 'FOR / AGAINST' taken together should not exceed your total shareholding. If the shareholder do not want to cast, select 'ABSTAIN'
 - ix. After selecting the resolution you have decided to vote on, click on "SUBMIT" button. A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL " and accordingly modify your vote.
 - x. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
 - xi. Shareholders can cast their vote online till such time they have voted on all the Resolutions or till the end of the voting period i.e. the last date of receipt of postal ballot form, whichever is earlier.
 - xii. Corporates / Institutional Shareholders (Corporates / FIs / FII's / Trust / Mutual Funds / Banks, etc.) are required to send a scanned copy (PDF format) of the relevant Board Resolution/Authority Letter, etc together with attested signature(s) of duly authorised signatory(ies) to the scrutinizer through e-mail to ioclpb2014@dholakia-associates.com with a copy marked to evoting@karvy.com. The file with the scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."
 - xiii. Kindly note that the Shareholders can opt for only one mode for voting i.e. either by physical ballot or e-voting. If you are opting for e-voting then do not vote by physical ballot and vice versa. However, in case member(s) cast their vote both via Physical Ballot and e-voting, then voting done through Physical Ballot shall prevail and voting done by e-voting will be ignored.
7. The voting rights of Shareholders shall be in proportion to their shares of the paid up share capital the company as on Friday, 4th July 2014.
8. The voting period ends on the close of working hours (i.e. 5.30 pm) on Friday, 8th August 2014. The e-voting module shall be disabled by Karvy Computershare Pvt. Ltd. for voting thereafter.
9. The scrutinizer, after completion of the scrutiny, will submit his report to the Chairman or such other officer as may be authorised by the Chairman of the Company. The results of the postal ballot will be declared by the Chairman or in his absence, by one of the Whole-time Functional Director or any officer authorized by the Chairman, on Monday, 11th August, 2014 at 3.00 pm at the registered office of the Company. The results will also be put up on the Company's website www.iocl.com and also intimated through a press release in newspapers. The resolutions, if approved will be taken as passed effectively on the date of declaration of results.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT.

Item No. 1 & 2

The Shareholders of the Company by way of Ordinary Resolutions passed by Postal Ballot on 20th October, 2011 had authorized the Board of Directors for raising both domestic and foreign currency borrowings through loans, credits etc. upto a limit of Rs. 1,10,000 crore (including Public Deposits but excluding temporary loans obtained from the Company's bankers in the ordinary course of business).

The Companies Act, 2013 has been notified to become effective from 1st April 2014. The provisions of Section 180(1)(c) of the Companies Act 2013, provide that the Board of Directors of a Company shall exercise the powers to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business only with the consent of the company by a special resolution.

It is, therefore, proposed to seek the approval of the shareholders to the borrowing limits of Rs. 1,10,000 crore (apart from temporary loans obtained from company's bankers in the ordinary course of business) for both domestic and foreign currency borrowings under section 110 of the Companies Act, 2013 by way of a Special Resolution.

Similarly the approval of shareholders was also obtained by way of ordinary resolution to create security or charge on the assets of the Company for the purposes of the borrowings. The mortgage and/or charge by the Company on its moveable and/or immoveable properties and/or the whole or any part of the undertaking(s) of the Company in favour of the Lender(s), may be regarded as disposal of the Company's undertaking(s) within the meaning of section 180(1)(a) of the Companies Act 2013 which provides for approval of shareholders by a Special Resolution. Hence, approval of the shareholders is solicited vide Resolution No. 2.

The Board of Directors of your Company recommends the Special Resolutions as set out in Item No. 1 & 2 in the accompanied notice for approval of the Shareholders through postal ballot.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolutions either financially or otherwise, except to the extent of their equity holding in the Company.

Item No. 3

Section 42 of the Companies Act, 2013 read with Rule 14 (2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 provide that a company shall not make private placement of its securities unless the proposed offer of securities or invitation to subscribe securities has been previously approved by the shareholders' of the company by a Special Resolution for each of the Offers or Invitations. However, issue of debentures on private placement basis can be done with the approval of the Shareholders obtained once in a year for all the offers or invitation for such debentures during the year.

IndianOil has been raising money by issue of Bonds in the nature of Debentures from domestic as well as overseas markets from time to time. Hence, approval of the shareholders vide Resolution No. 3 in line with the provisions of the Companies Act, 2013 would be required for the issue of Bonds up to Rs. 11,000 crore (from domestic as well as overseas market) in aggregate through private placement of bonds during a period of one year from the date of approval by shareholders' within the overall borrowing limits of Rs. 1,10,000 Crore approved earlier by shareholders.

The Board of Directors of your Company recommends the Special Resolutions as set out in Item No. 3 in the accompanied notice for approval of the Shareholders through postal ballot.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolutions either financially or otherwise, except to the extent of their equity holding in the Company.

By Order of the Board
For and on behalf of
Indian Oil Corporation Limited

Sd/-
(Raju Ranganathan)
Company Secretary

Place : Mumbai

Date : 5th July 2014