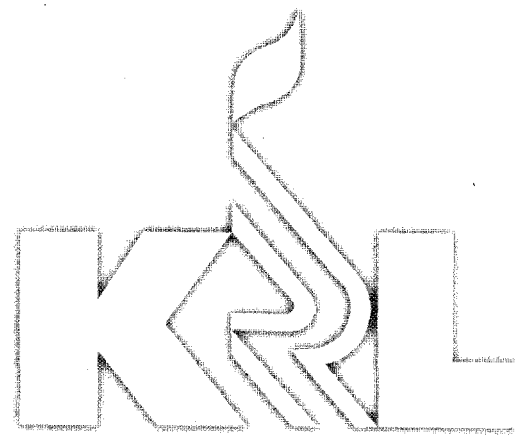
SANSCO SERVICES - Annual Reports Library Services - www.sansco.net



KOCHI REFINERIES LIMITED

reportjunction.com

43rd Annual Report 2004 - 05

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net



Innovation Recognised

Shri B.K. Menon, MD, receiving the national award instituted by National Petroleum Management Programme for outstanding innovation and creativity from Shri Mani Shankar Aiyer, Hon'ble Union Minister for Petroleum and Natural Gas. Also seen are Shri Koshy Varghese, then Director(Refineries) and Shri K.N. Ravindran, General Manager (Operations).



National Recognition

MD receiving the Golden Peacock National Award from Shri Kapil Sibal, Hon'ble Union Minister for Science and Technology. Shri John Minu Mathew, General Manager (Technical & Development), Dr. M.A. Siddique, General Manager, Justice A.M. Ahmadi, former Chief Justice, Supreme Court of India and Dr. Madhav Mehra, President, World Council for Corporate Governance, U K are also seen.

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

CONTENTS

EXECUTIVES 2

BOARD OF DIRECTORS 3

BANKERS, AUDITORS, LEGAL ADVISORS & SHARE TRANSFER AGENTS 4

PERFORMANCE AT A GLANCE 5

STATEMENT OF VALUE ADDED 8

DIRECTORS' REPORT 9

CORPORATE GOVERNANCE 28

AUDITORS' REPORT 36

BALANCE SHEET 41

PROFIT & LOSS ACCOUNT 42

SCHEDULES 44

CASH FLOW STATEMENT 68

BALANCE SHEET ABSTRACT AND GENERAL BUSINESS PROFILE 70

C&AG'S COMMENT & REVIEW OF ACCOUNTS 72

Report Junction.com

KOCHI REFINERIES LIMITED

REGISTERED OFFICE: MARADU - 682 304, ERNAKULAM DIST., KERALA (INDIA)

43RD ANNUAL REPORT 2004-05

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

EXECUTIVES

B.K. MENON
Managing Director

M.A.MOHAMMED ALI
Director (Refineries)

E. NANDAKUMAR
General Manager (Projects)

K.N. RAVINDRAN
General Manager (Operations)

JOHN MINU MATHEW
General Manager (Technical & Development)

CHERIAN N. PUNNOOSE
Director (Finance)

Dr. K.K. JAYAN
Dy. General Manager (Corp. Learning & Communication)

P.K. SURESH
Dy. General Manager (MIS & Internal Audit)

ANILKUMAR
Chief Vigilance Officer

N. NANDAKUMARAN
General Manager (Human Resources)

N.VISWAKUMAR
Company Secretary

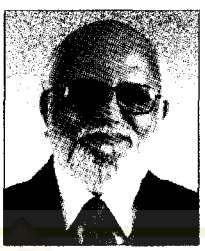
www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

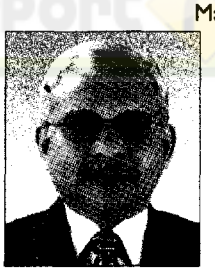
BOARD OF DIRECTORS



ASHOK SINHA
Chairman



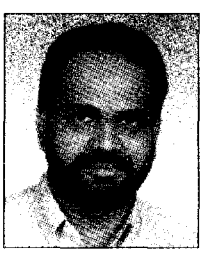
B K MENON
Managing Director



CHERIAN N PUNNOOSE
Director (Finance)



M A MOHAMMED ALI
Director (Refineries)



V P JOY
Director



S A NARAYAN
Director



MUKESH ROHATGI
Director



S RADHAKRISHNAN
Director



B K DAS
Director



JOHN MATHAI
Director

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

BANKERS

HDFC BANK LTD.
STATE BANK OF INDIA
ICICI BANK LTD.

AUDITORS

M/S. ELIAS GEORGE & CO., KOCHI - 682 020

Report Junction.com

LEGAL ADVISORS

M/S. MENON & PAI, KOCHI - 682 018

SHARE TRANSFER AGENTS

DATA SOFTWARE RESEARCH CO. (PVT.) LTD.
SREE SOVEREIGN COMPLEX, NO. 22, 4TH CROSS STREET,
TRUSTPURAM (OPP. PLAY GROUND), KODAMBAKKAM,
CHENNAI - 600 024.

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

PERFORMANCE AT A GLANCE

		2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99	1997-98	1996-97	1995-96
1.	**Crude Oil Processed ('000 Tonnes)**										
	Imported	**5803**	5614	4576	4072	4336	4983	4452	3579	2897	2147
	Indigenous	**2121**	2239	3004	2725	3184	2847	3318	4157	4404	5273
	TOTAL	**7924**	7853	7580	6797	7520	7830	7770	7736	7301	7420
	Capacity Utilisation (%) @	**105.65**	104.71	101.07	90.63	100.27	104.40	103.60	103.15	100.24	108.04
	@ Figures shown up to 1996-97 are for 4.5 MMTPA Unit										
2.	**Trend of Production**										
	Light Distillates (%)	**25.49**	25.94	25.13	25.30	26.52	23.68	24.07	24.41	24.03	26.24
	Middle Distillates (%)	**49.30**	49.57	51.27	49.34	50.37	55.76	53.47	53.00	54.34	53.49
	Heavy Ends (%)	**19.17**	18.42	17.70	19.14	16.57	14.90	16.67	16.90	16.04	14.45
3.	**Fuel and Loss as % of crude processed**	**6.04**	6.07	5.90	6.22	6.54	5.66	5.79	5.69	5.59	5.82
4.	**Aromatics Production (MT)**										
	Benzene	**43980**	41318	48859	33599	55086	41561	46465	45986	37990	40558
	Toluene	**41938**	38454	37242	34001	39265	36669	33880	25675	23524	25685
5.	**Manpower (Nos.)**	**2047**	2055	2082	2067	2062	2035	1825	1656	1593	1535
6.	**Sales and Earnings (Rs. Million)**										
	i) Gross Turnover	**154403**	117159	106158	67582	80702	67251	47800	49193	43994	37092
	ii) Net Turnover - excluding Excise Duty Collection	**131345**	100610	92859	58060	71389	57919	41710	43742	39178	33836
	iii) Profit Before Depreciation, Interest & Tax	**13566**	10682	9068	3439	3139	3852	5988	3835	1856	2333
	iv) Profit Before Interest & Tax	**12279**	9495	7914	2334	2124	3225	5466	3339	1415	1835
	v) Profit Before Tax	**11929**	9062	6965	1186	1025	2837	4962	2919	1089	1411
	vi) Profit After Tax	**8421**	5551	4560	688	1095	2352	3382	2204	929	1111
	vii) Dividend & Dividend Tax	**881**	1875	1562	306	320	1299	275	243	193	193
	viii) Retained Earnings	**7540**	3676	2998	382	775	1053	3107	1961	736	918
7.	**Ratios**										
	i) Profit Before Depreciation, Interest & Tax as % of Net Turnover	**10.33**	10.62	9.77	5.92	4.40	6.65	14.36	8.77	4.74	6.90
	ii) Profit After Tax as % of Average Net Worth	**38.59**	34.23	35.41	5.50	8.29	19.18	33.22	28.83	14.76	20.31
	iii) Profit Before Depreciation, Interest & Tax as % of Average Capital Employed	**44.50**	40.62	37.21	15.86	15.48	25.10	54.70	39.58	22.17	29.43
	iv) Long Term Debt - Equity Ratio	**0.15**	0.26	0.42	0.62	0.57	0.61	0.37	0.32	0.40	0.48

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

PERFORMANCE AT A GLANCE

	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99	1997-98	1996-97	1995-96
8. Earnings Per Share (Rupees)	**60.82**	40.09	32.93	4.97	7.90	17.06	24.53	15.99	6.74	8.06
Calculated on the post bonus capital for all years.										
9. Book Value of Share (Rupees).....	**184.79**	130.38	103.83	82.18	98.55	185.48	170.20	125.13	96.68	86.00
Figures for 2000-01 onwards are after increase in share capital on account of 1:1 bonus issue.										
10. Sources and Application of Funds (Rs.Million)										
A) Sources of Funds										
Retained Earnings	**7540**	3676	2998	382	775	1053	3107	1961	736	918
Depreciation and Write Offs	**1288**	1194	1183	1192	954	596	621	658	451	500
Deferred Tax Provision	**(237)**	47	225	188	-	-	-	-	-	-
Gross Internal Resources	**8591**	4917	4406	1762	1729	1649	3728	2619	1187	1418
Long Term Loans	**-**	-	-	-	750	3500	2000	480	240	-
Increase in Short Term Loans	**2792**	-	2090	979	427	609	-	-	392	-
Decrease in Working Capital ...	**-**	317	-	-	-	-	-	-	64	-
Increase in Net Worth on Amalgamation of CRBL with KRL	**-**	-	-	-	55	-	-	-	-	-
Borrowings and Other Resources	**2792**	317	2090	979	1232	4109	2000	480	696	-
Total Sources of Funds	**11383**	5234	6496	2741	2961	5758	5728	3099	1883	1418
B) Application of Funds										
Capital Expenditure	**2350**	853	583	783	1016	4059	4650	880	1497	696
Repayment of Long Term Loans	**823**	1364	1047	666	431	383	389	433	386	240
Decrease in Short Term Loans	**-**	3007	-	-	-	-	278	111	-	25
Increase in Working Capital	**8203**	-	4633	919	1513	1306	399	1675	-	457
Increase in Investments	**7**	10	233	373	1	10	12	-	-	-
Total Application of Funds	**11383**	5234	6496	2741	2961	5758	5728	3099	1883	1418
11. What the Company Owned (Rs. Million)										
i) Gross Fixed Assets	**24324**	22673	22106	21501	20478	19428	11625	10808	9955	8750
Less: Depreciation	**10702**	9422	8265	7117	6013	4970	4346	3837	3353	2913
ii) Net Fixed Assets	**13622**	13251	13841	14384	14465	14458	7279	6971	6602	5837
iii) Projects in Progress	**1433**	741	493	517	845	852	4598	786	770	479
iv) Investments	**712**	706	696	463	90	89	21	9	88	88
v) Net Current Assets	**20442**	12239	12555	7955	7036	5462	4183	3876	2283	2357
Total Assets - Net (ii to v) ...	**36209**	26937	27585	23319	22436	20861	16081	11642	9743	8761

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

PERFORMANCE AT A GLANCE

	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99	1997-98	1996-97	1995-96
12. What the Company Owed (Rs. Million)										
i) Share Capital	**1385**	1385	1385	1385	1382	689	689	689	689	689
ii) Reserves and Surplus	**24208**	16668	12992	9994	12234	12098	11045	7938	5976	5240
iii) Net Worth (i+ii)	**25593**	18053	14377	11379	13616	12787	11734	8627	6665	5929
iv) Borrowings										
- Long Term	**3875**	4698	6062	7108	7775	7757	4339	2728	2680	2826
- Short Term	**3898**	1106	4113	2024	1045	317	8	287	398	6
v) Deferred Tax Liability (Net)	**2843**	3080	3033	2808	-	-	-	-	-	-
Total Funds Employed (iii + iv + v)	**36209**	26937	27585	23319	22436	20861	16081	11642	9743	8761
13. Income & Expenditure (Rs. Million)										
A) Income										
i) Sales including Pool Receipts, Net of Excise Duty	**131345**	100610	92859	58060	71389	57919	41710	43742	39178	33836
ii) Products Consumed Internally	**106**	56	93	38	9	67	4	4	2	2
iii) Other Income	**650**	593	319	271	1032	936	956	373	159	160
Total Income (i to iii)	**132101**	101259	93271	58369	72430	58922	42670	44119	39339	33998
B) Expenditure										
i) Crude Oil Cost including Detention Charges	**116139**	85609	83342	52776	67059	54098	35473	38745	36509	30427
ii) Manpower Cost	**1147**	1019	814	1102	558	556	346	310	224	342
iii) Other Operating Cost	**3750**	3564	2000	1622	1457	1607	1163	984	788	567
iv) Depreciation and Write Offs	**1288**	1194	1183	1192	954	596	621	658	451	500
v) Decrease/(Increase) in Stock	**(3161)**	660	(2322)	(705)	246	(1396)	(399)	83	(48)	327
vi) Excise Duty Differential on Closing Stock/Others	**659**	(282)	340	48	32	236	-	-	-	-
vii) Interest	**350**	433	949	1148	1099	388	504	420	326	424
Total Expenditure (i to vii)	**120172**	92197	86306	57183	71405	56085	37708	41200	38250	32587
C) Profit Before Tax (A-B)	**11929**	9062	6965	1186	1025	2837	4962	2919	1089	1411
14. Contribution to Exchequer - Cash Basis (Rs. Million)										
i) Excise Duty	**23738**	15439	12201	9228	9106	9357	6040	5488	4772	3266
ii) Customs Duty	**6709**	5901	4527	3246	5018	6776	4069	4792	4977	3110
iii) Sales Tax										
- CST	**2155**	2077	1805	1644	2027	1548	1074	410	364	302
- KGST & Others	**1159**	1325	1285	678	306	215	149	101	79	77
- Irrecoverable (Mainly Turnover Tax)	**-**	-	-	1164	1294	1199	983	690	492	447
iv) Income Tax (including Corporate Dividend Tax)	**4655**	3215	2173	122	560	1013	1149	765	324	194
v) Dividend	**100**	70	15	15	423	414	133	116	116	108
vi) Interest (on IBRD Loans)	**-**	-	-	1	1	3	7	11	14	18
Total (i to vi)	**38516**	28027	22006	16098	18735	20525	13604	12373	11138	7522

www.reportjunction.com

SANSCO SERVICES - Annual Reports Library Services - www.sansco.net

STATEMENT OF VALUE ADDED

	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99	1997-98	1996-97	1995-96
A) Value of Production (Rs. Million)										
i) Sales, Pool Income (Net of Excise Duty), etc.	**128876**	99081	92304	57989	71978	58295	42239	43742	39178	33836
ii) Products Consumed Internally	**106**	56	93	38	9	67	4	4	2	2
iii) Inventory Differential	**3161**	(660)	2322	705	(246)	1396	399	(83)	48	(327)
Total (A)	**132143**	98477	94719	58732	71741	59758	42642	43663	39228	33511
B) Value of Inputs (Rs. Million)										
i) Raw Material Cost	**116139**	85609	83342	52776	67059	54098	35473	38745	36509	30427
ii) Chemicals, Catalysts & Stores.....	**284**	240	273	172	170	240	157	171	137	73
iii) Purchased Power	**238**	94	102	116	63	81	45	62	55	53
iv) Bitumen Drum Cost	**124**	74	64	39	42	38	61	57	47	41
Total (B)	**116785**	86017	83781	53103	67334	54457	35736	39035	36748	30594
C) Value Added (A-B)	**15358**	12460	10938	5629	4407	5301	6906	4628	2480	2917
Value Added per Employee (Rs. Million)	**8.33**	6.62	5.63	2.89	2.34	3.06	4.35	3.01	1.68	2.11
Value Added Shared Towards (Rs. Million)										
A) Operations										
i) Employees' Benefits	**1147**	1019	814	1102	558	556	346	310	224	342
ii) Other Costs	**637**	741	1019	610	315	559	198	281	360	214
Total (A)	**1784**	1760	1833	1712	873	1115	544	591	584	556
B) Financing										
i) Interest	**350**	433	949	1148	1099	388	504	420	326	424
ii) Dividend	**775**	1662	1385	305	290	1144	248	221	193	193
Total (B)	**1125**	2095	2334	1453	1389	1532	752	641	519	617
C) Taxation										
i) Coporate & Dividend Taxes	**3851**	3677	2357	310	(40)	640	1607	737	160	300
ii) Rates & Taxes	**7**	11	8	392	456	365	275	40	30	26
Total (C)	**3858**	3688	2365	702	416	1005	1882	777	190	326
D) Expansion & Growth										
i) Depreciation, Deferred Tax Liability & Write Offs	**1051**	1241	1408	1380	954	596	621	658	451	500
ii) Retained Profit	**7540**	3676	2998	382	775	1053	3107	1961	736	918
Total (D)	**8591**	4917	4406	1762	1729	1649	3728	2619	1187	1418
Total Value Added Shared (A+B+C+D)	**15358**	12460	10938	5629	4407	5301	6906	4628	2480	2917

www.reportjunction.com