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वार्षिक रिपोर्ट २००३-०४ | Annual Report 2003-04



हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड  
Hindustan Petroleum Corporation Limited

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*We endeavour .....*

To be a World Class Energy Company known for caring and delighting the customers with high quality products and innovative services across domestic and international markets with aggressive growth and delivering superior financial performance. The Company will be a model of excellence in meeting social commitment, environment, health and safety norms and in employee welfare and relations.



At a Glance

**Dear Shareholder,**

It gives me pleasure to present before you the following significant details of your Corporation:-

#### HOW YOUR CORPORATION PERFORMED :

Area of Performance	2003-04	2002-03
Crude Thruput (MMT)	13.70	12.93
Market Sales (MMT)	19.53	18.84
Gross Sales (Rs. Crores)	56,333	52,699
Gross Profit (Rs. Crores)	3,643	3,139
Net Profit (Rs. Crores)	1,904	1,537
Dividend (%age)	220	200
Net Worth (Rs. Crores)	7,743	6,679
Earnings Per Share (Rs.)	56.18	45.37

#### YOUR CORPORATION'S INFRASTRUCTURE :

Refineries at Mumbai & Visakhapatnam	Depots - 89
Product Pipelines -	ASFs - 10
★ Mumbai-Pune	Retail Outlets - 5502
★ Visakh-Vijayawada-Secunderabad	SKO/LDO Dealers - 1647
Regional Offices - 81	LPG Plants/Distributors - 40/1993
Terminals / Installations / TOPs - 36	LPG Customers - 1.99 Crores

#### CURRENT MAJOR PROJECTS :

Upgradation of facilities at Mumbai & Visakh Refineries at an expenditure of Rs.2800 Crores.

New Pipeline between Mundra & Delhi and Extension of Mumbai – Pune Pipeline to Solapur at an expenditure of Rs.1530 Crores.

Upgradation, Automation and New facilities for the Marketing Division to strengthen marketing infrastructure at an expenditure of Rs.1400 Crores.

Expansion and Diversification on own and through ventures and tie-ups.

Important current activities, future plans and detailed overview of HPCL as well as Petroleum Sector have been covered by me separately (Page No. 11)

Your Corporation would continue to perform strongly and thereby instill confidence in you to continue your association for a long time.

**M.B.Lal**





## Registered Office and

### Headquarters Office

Petroleum House,  
17, Jamshedji Tata Road,  
Mumbai - 400 020

e-mail: [corphqo@hpcl.co.in](mailto:corphqo@hpcl.co.in)

website: [www.hindustanpetroleum.com](http://www.hindustanpetroleum.com)

### Marketing Headquarters

Hindustan Bhavan,  
8, Shoorji Vallabhdas Marg,  
Ballard Estate, Mumbai - 400 001.

### Mumbai Refinery

B.D. Patil Marg, Chembur,  
Mumbai - 400 074.

### Visakh Refinery

Post Box No. 15,  
Visakhapatnam - 530 001.

## Zonal Offices

### East Zone

6, Church Lane,  
Post Box No.146,  
Kolkata 700 001.

### West Zone

R&C Building,  
Sir J.J. Road, Byculla,  
Mumbai - 400 008.

### North Zone

6th & 7th floor,  
Core 1 & 2, North Tower,  
Scope Minar,  
Laxmi Nagar,  
Delhi - 110 092.

### South Zone

Thalamuthu Natarajan Building,  
4th Floor, 8, Gandhi Irwin Road,  
Post Box No.3045, Egmore,  
Chennai - 600 008.

## Statutory Auditors

G.P. Kapadia & Co.  
Chartered Accountants  
Mumbai

N.M. Raiji & Co.  
Chartered Accountants  
Mumbai

## Branch Auditors

B.V. Rao & Co.  
Chartered Accountants  
Visakhapatnam.

## Bankers

State Bank of India  
Union Bank of India  
Punjab National Bank  
Standard Chartered Bank  
Bank of Baroda  
Bank of India  
Citibank N.A.  
Corporation Bank

## Company Secretary

Shri N.R. Narayanan



Our Corporate Headquarters at Mumbai

## एच. पी. गीत

### (HP Anthem)

दसों दिशाएँ नाच उठीं, जाग उठीं, नाच उठीं  
जन - जन का मन हर्षाया, एच. पी. ने जब कदम  
बढ़ाया, कदम बढ़ाया  
उर्जा का सागर लहराया

दसों दिशाएँ नाच उठीं, जन - जन का मन हर्षाया,  
एच. पी. ने जब कदम बढ़ाया, उर्जा का सागर लहराया  
हिन्दुस्तान पेट्रोलियम, तू ऊर्जा का एक नाम  
देश के कोने कोने में जो फूंक रहा है प्राण  
आज देश की धड़कन है, कल जग को धड़काएगी  
हम एच.पी. वालों की उमंग एक नया सवेरा लाएगी

हिन्दुस्तान पेट्रोलियम, एक नई सुहानी भोर  
उर्जामय कल की ओर, उर्जामय कल की ओर, उर्जामय  
कल की ओर



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Hon'ble President of India Shri APJ Abdul Kalam conferring the Padma Bhushan Award to Shri T.L. Sankar, our Director.



Hon'ble Minister for Petroleum & Natural Gas & Panchayat Raj, Shri Mani Shankar Aiyar inaugurating the Rasoi Ghar (Community Kitchen) at a village in Tamil Nadu. Also seen in the picture is Shri M.B. Lal, C&MD.



Hon'ble Minister for Petroleum & Natural Gas & Panchayat Raj, Shri Mani Shankar Aiyar handing over OISD Safety Award for Best Overall Safety performance amongst Refineries for Third year in a row to Shri D.S. Mathur, Director (Refineries)

Hon'ble Minister for Petroleum & Natural Gas & Panchayat Raj, Shri Mani Shankar Aiyar handing over the Best Performer Award (First) in the Lube Oil Blending Category to the Lube Plant at Mazagaon, Mumbai to Shri S. Roy Choudhury, Director (Marketing)





# Notice of Annual General Meeting

## HINDUSTAN PETROLEUM CORPORATION LIMITED

(A Government of India Enterprise)

REGISTERED OFFICE : 17, JAMSHEDJI TATA ROAD, MUMBAI 400 020

### NOTICE

NOTICE is hereby given that the **52<sup>nd</sup> ANNUAL GENERAL MEETING** of the Members of Hindustan Petroleum Corporation Limited will be held on **Thursday, September 09, 2004 at 3.00 P.M. at Y. B. Chavan Auditorium, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai-400 021**, to transact the following business :

#### ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as on March 31, 2004, Profit and Loss Account for the year ended on that date and Reports of the Board of Directors and Auditors thereon.
2. To declare equity dividend for the financial year 2003-2004.
3. To appoint a Director in place of Shri Arun Balakrishnan, who retires by rotation and is eligible for reappointment.
4. To appoint a Director in place of Shri Raja G. Kulkarni, who retires by rotation and is eligible for reappointment.
5. To appoint a Director in place of Shri M. Nandagopal, who retires by rotation and is eligible for reappointment.
6. To appoint a Director in place of Shri D. S. Mathur, who retires by rotation and is eligible for reappointment.
7. To approve payment of Rs.10 Lakhs as remuneration to the Statutory Auditors of the Company to be appointed by the Comptroller & Auditor General of India for auditing the Accounts of the Company for the Financial Year 2004-05.

#### SPECIAL BUSINESS :

##### Appointment of Directors:

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.  
"RESOLVED that Shri A.K. Srivastava who was appointed as an Additional Director of the Company by the Board of Directors under Article 112 of the Articles of Association of the Company with effect from September 29, 2003 and who holds office under the said Article and pursuant to Section 260 of the Companies Act, 1956 only upto the date of this Annual General Meeting, and who is eligible for re-appointment under the relevant provisions of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."
9. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.  
"RESOLVED that Shri S. Roy Choudhury who was appointed as an Additional Director of the Company by the Board of Directors under Article 112 of the Articles of Association of the Company with effect from May 10, 2004 as Director(Marketing) and who holds office under the said Article and pursuant to Section 260 of the Companies Act, 1956 only upto the date of this Annual General Meeting, and who is eligible for re-appointment under the relevant provisions of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

BY THE ORDER OF THE BOARD

**N.R.Narayanan**  
*Company Secretary*

Date : August 12, 2004  
Regd. Office : 17, Jamshedji Tata Road,  
Mumbai 400 020



# Notice of Annual General Meeting (Contd.)

## NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective, must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
2. The Explanatory Statement made pursuant to Section 173(2) of the Companies Act, 1956 in respect of the item Nos. 7 to 9 of the Notice is annexed herewith.
3. Dividend on Equity Shares as recommended by the Directors for the year ended March 31, 2004, if approved at the meeting, will be payable to those eligible members whose names appear :
  - (1) As Beneficial owners, as on August 24, 2004 as per the list to be furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd. in respect of shares held in electronic form, and
  - (2) As Members in the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company on or before August 24, 2004.
4. Members are requested to bring their copies of the Annual Report to the Meeting. Members / Proxies attending the Meeting should bring the Attendance Slip, duly filled, for handing over at the venue of the meeting.
5. (a) Members holding shares in physical form are requested to advise immediately change in their address, if any, quoting their Folio number(s), to M/s.MCS Ltd. the Registrars at their address given below.  
(b) Shareholders holding shares in dematerialised form are requested to advise immediately change in address, if any, quoting their respective Client ID/DP ID Nos. to their respective Depository Participants and not to M/s. MCS Ltd. or to the Company.
6. (a) Members holding shares in physical form who have not given the Bank Particulars / Mandate, ECS Mandate earlier or if there is any change in the details, are requested to send the same quoting the Folio number(s), to our Registrars M/s. MCS Ltd. on or before August 24, 2004.  
(b) All Shareholders who are holding shares in Dematerialised form are requested to advise change, if any, in details of their bank account / ECS mandates to their respective Depository Participants immediately to enable the Company to pay the dividend accordingly.
7. Members are hereby informed that Dividends which remain unclaimed / unencashed over a period of 7 years have to be transferred by the Company to Investor Education & Protection Fund constituted by the Central Government under Section 205A and 205C of the Companies Act, 1956.

We give below the details of Dividends paid by the Company and their respective due dates of transfer to the Fund of the Central Government if they remain unencashed.

Date of declaration of Dividend	Dividend for the year	Month & year of transfer to the Fund
29.08.1997	1996-1997	Oct.2004
21.09.1998	1997-1998	Nov.2005
09.09.1999	1998-1999	Oct.2006
30.03.2000	1999-2000 (Interim)	May 2007
08.09.2000	1999-2000 (Final)	Oct.2007
28.09.2001	2000-2001	Oct.2008
28.08.2002	2001-02 (Final)	Sep 2009
30.01.2003	2002-03 (Interim)	Feb 2010
24.09.2003	2002-03 (Final)	Oct 2010
22-12-2003	2003-04 (Interim)	Jan 2011

It may please be noted that no claim can be made by the shareholders for the unclaimed Dividends which have been transferred to the credit of the Investor Education & Protection Fund of the Central Government under the amended provisions of Section 205B of the Companies (Amendment) Act, 1999.





In view of the above regulation, the shareholders who are yet to encash the dividend are advised to send requests for duplicate dividend warrants in case they have not received the Dividend Warrants for any of the above mentioned financial years and / or revalidation of unencashed Dividend Warrants still held by them to the Registrars and Transfer Agents of the Company for doing the needful in the matter.

**8. The address of Registrars and Transfer Agents of the Company is as follows :**

M/s. MCS Ltd.

Unit : Hindustan Petroleum Corporation Ltd.

Sri Venkatesh Bhavan, Plot No.27, Road No.11,

MIDC Area, Andheri (East),

Mumbai 400 093

**9. Appointment / Re-appointment of Directors**

At the ensuing Annual General Meeting, S/Shri Arun Balakrishnan, Raja G. Kulkarni, M. Nandagopal and D.S. Mathur retire by rotation and being eligible, offer themselves for re-appointment.

Shri A.K. Srivastava and Shri S. Roy Choudhury who were appointed as Additional Directors during the year are being recommended for appointment as Directors liable to retire by rotation.

**EXPLANATORY STATEMENT IN PURSUANCE OF SECTION 173(2) OF THE COMPANIES ACT, 1956**

7. HPCL is a Government Company within the meaning of Section 617 of the Companies Act, 1956. In terms of the provisions of Section 619 of the Companies Act, 1956, Statutory Auditor/s for a Government Company is/are appointed by the Comptroller & Auditor General of India (C&AG). In terms of Section 224 (8) (aa) of the Companies Act, 1956 the remuneration of the Auditors is required to be fixed by the Company in a General Meeting or in such a manner as the Company in a General Meeting may determine.

The Board of Directors of the Company has recommended a remuneration of Rs.10 Lakhs plus out of pocket expenses to the Statutory Auditors (Joint / Branch Auditors, if any) of the Company to be appointed by the C&AG for auditing the Accounts of the Company for the Financial Year 2004-05 for the approval of the shareholders. The Corporation will submit an application to the Comptroller & Auditor General of India regarding appointment of Statutory Auditors.

8. Shri A.K. Srivastava was appointed as an Additional Director on the Board effective 29.09.2003. In terms of Section 260 of the Companies Act, 1956 and Article 112 of the Articles of Association of the Company, he holds office upto the date of the next Annual General Meeting and is eligible for re-appointment. The Company has received a notice proposing the candidature of Shri A.K. Srivastava for the office of a Director in terms of Sections 255 & 257 of the Companies Act, 1956.

Shri A.K. Srivastava is Joint Secretary in the Ministry of Petroleum & Natural Gas, New Delhi. Shri A.K. Srivastava's association on the Board will be beneficial to the Company. The Board recommends appointment of Shri A.K. Srivastava.

None of the Directors other than Shri A.K. Srivastava are interested in the resolution.

9. Shri S. Roy Choudhury was appointed as an Additional Director on the Board effective 10.05.2004 as Director (Marketing). In terms of Section 260 of the Companies Act, 1956 and Article 112 of the Articles of Association of the Company, he holds office upto the date of the next Annual General Meeting and is eligible for re-appointment. The Company has received a notice proposing the candidature of Shri S. Roy Choudhury for the office of a Director in terms of Sections 255 & 257 of the Companies Act, 1956.

Shri S. Roy Choudhury's association on the Board will be beneficial to the Company. The Board recommends appointment of Shri S. Roy Choudhury.

None of the Directors other than Shri S. Roy Choudhury are interested in the resolution.

BY THE ORDER OF THE BOARD

**N.R.NARAYANAN**  
Company Secretary

Date : August 12, 2004  
Regd. Office : 17, Jamshedji Tata Road,  
Mumbai 400 020



**Shri M. S. Srinivasan**  
Director



**Shri A. K. Srivastava**  
Director (From 29-09-03)



**Dr. B. Mohanty**  
Director



**Shri S. Vijayaraghavan**  
Director (Till 24-09-03)



**Shri N. K. Puri**  
Director- Marketing  
(Till 30-04-04)



**Shri M. B. Lal**  
Chairman &  
Managing Director



**Shri D. S. Mathur**  
Director - Refineries



**Shri Arun Balakrishnan**  
Director - Human  
Resources



**Shri C. Ramulu**  
Director - Finance



**Shri S. Roy Choudhury**  
Director - Marketing  
(From 10-05-04)



**Shri T. L. Sankar**  
Director



**Shri Raja G. Kulkarni**  
Director



**Shri Rajesh V. Shah**  
Director



**Shri M. Nandagopal**  
Director