



Brahmaputra Cracker and Polymer Limited



ANNUAL REPORT

2014 - 2015



VISION

To emerge as a dominant petrochemical player in the north-east region, providing value to stakeholders, offering best-in-class products & services, contributing to economic growth while remaining environmentally conscious.

MISSION

To establish significant presence in the north-east region in petrochemical sector by way of production/sourcing and marketing of quality products, deploying efficient distribution and marketing channels to cater to the needs of target customers.



Board of Directors



Shri B. C. Tripathi
Chairman



Shri P. N. Prasad
Managing Director



Shri O. P. Tailor
Director (Finance)



Shri Avinash Joshi



Shri P. S. Lokhande
(w.e.f. 17.10.2014)



Shri R. K. Dutta



H. K. Sharma
(w.e.f. 24.07.2015)



Shri P. Padmanabhan



Subir Purkayastha
(w.e.f. 11.05.2015)



Smt R. S. Borah
(w.e.f. 22.07.2015)



Shri Gautam Barua



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Corporate Identity No. (CIN)

U11101AS2007GOI008290

Registered Office

Hotel Brahmputra Ashok
M. G. Road, Guwahati
Assam - 781001
Ph: 0361-2733554
Fax: 0361-2733556

Project Site Office

Lepetkata
P.O. - Lepetkata
District-Dibrugarh
Assam-786006
Ph: 0373-2914604

Project Execution Office

3rd Floor, GAIL Training Institute
24, Sector-16A, Noida
Uttar Pradesh-201301
Ph: (0120)2513102
Fax: 0120-2488392

Bankers

State Bank of India

- Thana Charali Dibrugarh Assam-786001
- CAG Branch 12th Floor, Jawahar Vyapar Bhavan, 1, Tolstoy Marg New Delhi-110001

Punjab National Bank

Goenka Market
Jhalukpara
Dibrugarh,
Assam-786001

Statutory Auditors

M/s Das & Sharma
Chartered Accountants
Durga Bhawan, 2nd Floor
A. T. Road, Bharalumukh
Guwahati-781009
Assam

Internal Auditors

M/s Deloitte Haskins & Sells
DLF Cyber City Complex
DLF City Phase II
Gurgaon - 122002
Haryana



NOTICE

Notice is hereby given that the Eighth Annual General Meeting of the Company will be held on Wednesday, the 9th day of September, 2015 at 3.00 p.m. at the registered office at Hotel Brahmaputra Ashok, M G Road, Guwahati, 781001 to transact the following business-

As Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2015, the Profit and Loss Account for the year ended on that date, the Board's Report, the Statutory Auditors' Report and the comments of the Comptroller & Auditor General of India thereon.
2. To appoint a Director in place of Shri R K Dutta (DIN 00205669), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri B C Tripathi (DIN 01657366), who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of of Avinash Joshi (DIN 06723083), who retires by rotation, and being eligible, offers himself for re-appointment.
5. To authorise the Board of Directors of the Company to fix the remuneration of the Statutory Auditors for the year 2015-16 in terms of the provisions of Section 142 of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and to pass the following resolution, with or without modification, as an Ordinary Resolution:

"RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to decide and fix the remuneration of the Statutory Auditors as appointed by the Comptroller and Auditor General of India for the financial year 2015-2016."

As Special Business

6. To consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 160 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri P S Lokhande (DIN 06966587), who was appointed as an Additional Director w.e.f. 17.10.2014 be and is hereby appointed as a Director of the Company, liable to retire by rotation."



7. To consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Section 160 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Subir Purkayastha (DIN 06850526), who was appointed as an Additional Director w.e.f. 11.05.2015 be and is hereby appointed as a Director of the Company, liable to retire by rotation.

8. To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT pursuant to section 14 and other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder, or any amendment there to or modification thereof, the consent of the members of the Company be and is hereby accorded to the following:

- (1) *Article 7 of the Articles of Association of the Company be and is hereby altered to read as follows:*

“7. Subject to the provisions of the Act and these Articles, it shall be lawful for the Company to issue further shares in such manner as the Board thinks fit, including on preferential basis, either at par or at a premium (if necessary, by increasing the authorised capital of the Company). Such shares shall rank pari passu with the existing shares of the Company except for payment of dividend, which will be on a proportional basis.”

- (2) *Article 120 of the Articles of Association of the Company be and is hereby altered to read as follows:*

“120. At least seven (7) days written notice of every meeting of the Board shall be given to every Director at his usual address and shall also be given to their alternates, if any and such notice shall be sent by hand delivery or by post or by electronic means. So far as practicable such notice shall be accompanied by the Agenda setting out the business proposed to be transacted at the meeting of the Board. Provided, however, that with the consent of at least one GAIL Nominated Director a meeting of the Board may be convened by a shorter notice in the case of any emergency or if circumstances so warrant.”

- (3) *Article 123 (i) and para 1 of article 123 (ii) of the Articles of Association of the Company be and are hereby altered to read as follows:*

“123. Save as otherwise expressly provided in the Act, questions arising at a meeting of the Board or any Committee thereof shall be decided by a majority of votes of Directors present and voting.

- (i) *The quorum for a meeting of the Board of Directors of a company shall be one-third of its total strength or four (4) directors, whichever is higher, of whom at least one Director nominated by GAIL shall be present and the participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum. Where a meeting of the Board could not be held for want of quorum, no decision in the said meeting will be*



BRAHMAPUTRA CRACKER AND POLYMER LIMITED

taken and the meeting will be adjourned by the Chairman to a day not earlier than seven (7) business days, and not later than twenty one (21) business days, from the date of such meeting. If in the said adjourned meeting, one third of the total strength of the Board or four Directors whichever is higher is present, the meeting will proceed in spite of non-attendance of a minimum of one Director nominated by GAIL and necessary decision will be taken. Matters requiring approval of the Shareholders shall be recommended by the Board where at least one Director nominated by GAIL is present and voting in favour of resolution. Where at any time the number of interested Directors exceeds or is equal to two thirds of the total strength of the Board of Directors, the number of Directors who are not interested Directors and present at the meeting, being not less than two, shall be the quorum during such time.

Subject to Article 123(ii) below all decisions of the Board shall be taken by simple majority.

- (ii) *All questions arising in a meeting of the Board or any Committee thereof shall be decided by majority of votes of Directors present and voting, provided, however that in respect of the following matters no resolution shall be passed or decision taken at a meeting of the Board or of any Committee thereof unless it has the affirmative vote of at least one GAIL nominated Director"*

Dated : 07.08.2015

Place : Guwahati

By Order of the Board

Sd/-

(Ruli Das Sen)

Company Secretary

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 the proxy need not be a member of the Company. The proxy form duly completed should be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
2. The explanatory statement as required under Section 102(1) of the Companies Act, 2013, is annexed hereto and all documents referred to in the same will be open for inspection by members, at the registered office of the Company during normal working hours up to the date of the Annual General Meeting.
3. In case of corporate shareholders proposing to participate at the meeting through their representative, necessary authorization under Section 113 of the Act for such representation may be forwarded to the Company.



Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013

Agenda No. 6

Shri P S Lokhande, Dy. Secretary, Ministry of Petroleum and Natural Gas, was nominated by MoP&NG vide letter no. C-31033/1/2012-CA/FTS:18688 dated 02.09.2014 communicated vide MoC&F letter no. 45012/4/2007-PC-I dated 22.09.2014, as Director on the Board of Directors of the Company in place of Shri Nikunj Kumar Srivastava. Shri Lokhande, holding DIN 06966587 and aged 41 years, was inducted as an Additional Director w.e.f. 17.10.2014 till the conclusion of this Annual General Meeting. He is a member of the Indian Administrative Service, 2001 batch from the AGMUT cadre. He is a Mechanical Engineer. During his IAS career, he has served various departments/offices of the State and centre including Land Revenue MGMT and Urban Development. He does not hold any shares in the Company or receive any remuneration from the Company and since his appointment in October, 2014 has not attended any meetings of the Board till 31.03.2015. He is a Director of GAIL Gas Ltd.

The Company has received a Notice from a member under section 160 of the Companies Act, 2013, proposing the candidature of Shri P S Lokhande as a Director of the Company.

Your Directors recommend the resolution for his appointment as Director liable to retire by rotation, for approval of the shareholders. None of the Directors, key managerial personnel or their

relatives, except Shri P S Lokhande is interested in this resolution.

Agenda No. 7

Shri Subir Purkayastha, Director (Finance), GAIL (India) Limited was nominated by GAIL (India) Limited vide letter No.ND/GAIL/SECTT/15 dated 08.05.2015 as a Director on the Board of Directors of the Company in place of Shri P K Jain. Shri Purkayastha, holding DIN 06850526 and aged 56 years, was inducted as an Additional Director w.e.f. 11.05.2015 till the conclusion of this Annual General Meeting. He is a Chartered Accountant and Company Secretary by professional qualification and has a rich experience of nearly 30 years in the areas of Corporate Finance and Treasury including Forex Risk Management, Capital Budgeting, Corporate Budgets, Corporate Accounts, finalisation of Long Term LNG and Gas Agreements, Liquefaction and Regasification Terminal Service Agreement, Shareholders Agreements and Joint Ventures Agreement etc. Prior to his appointment as Director (Finance) GAIL, he held the position of Executive Director (Finance & Accounts) in GAIL. He was on secondment to Petronet LNG Ltd. during its formative years from 1998 to 2002. He joined GAIL in 1985 as a Finance Officer and rose to the position of Director. Having joined in the early stages of the Company he was part and parcel of the growth trajectory of the Company. He holds ten equity shares in the Company and



does not receive any remuneration from the Company. Besides GAIL (India) Ltd., he also holds the position of Director in GAIL Gas Ltd., GAIL Global (Singapore) Pte Ltd., GAIL China Gas Global Energy Holding Ltd. He is the Chairman of the Audit Committee, GAIL Gas Ltd.

The Company has received a Notice from a member under section 160 of the Companies Act, 2013, proposing the candidature of Shri Subir Purkayastha as a Director of the Company.

Your Directors recommend the resolution for his appointment as Director liable to retire by rotation, for approval of the shareholders. None of the Directors, key managerial personnel or their relatives, except Shri Subir Purkayastha is interested in this resolution.

Agenda No. 8

With the implementation of the Companies Act, 2013 and the rules made thereunder it is mandatory for an unlisted company to have an enabling provision in the Articles of Association authorising the issue of shares on preferential basis. The provision in the existing Articles of Association for further issue of shares mentions the relevant section of the old Act, which needs amendment before issue for shares on preferential basis. Accordingly, an alteration is proposed in article 7 to enable issue of shares on preferential basis.

Taking into consideration the decrease in the number of Nominee Directors on the Board at present and the requirement of DPE Guidelines on Corporate Governance for CPSEs, 2010 regarding Nominee Directors, it is proposed to relax the requirements regarding Nominee Directors for convening a meeting of the Board on shorter notice prescribed in article 120 and for quorum prescribed in article 123(i) and (ii) so to ease the constraint on convening meetings of the Board, particularly in case of any further reduction in the number of Nominee Directors in future. The requirements of the Companies Act, 2013 are also being incorporated as required. Accordingly, articles 120, 123 (i) and para 1 of article 123(ii) are proposed to be amended as proposed.

Your Directors recommend the resolution for approval of the shareholders. None of the Directors, key managerial personnel of the Company or their relatives is concerned /interested in the proposed resolution.

Note: All documents referred to in this statement will be open for inspection by members, at the registered office of the Company during normal working hours up to the date of the Annual General Meeting.



Message from the Chairman

Dear Member,

I am pleased to share with you the 8th Annual Report of your Company and take this opportunity to present a general overview of the status in the Assam Gas Cracker Project.

It is heartening that at the end of financial year 2014-15, the overall physical performance of the project reached 99.6% and the culmination of your Company's relentless efforts to commission the project in totality is now not too far. This is the most crucial phase in the project before it goes into operation and I wish to assure you that every care is being taken to ensure safe commissioning of this petrochemical complex at the earliest. As we race against time, I believe that despite the delay in project completion, the challenges and unforeseen events that came our way have contributed in bringing about greater team work as well as the best in every employee of your Company. At this stage, I am heartened by the thought that operation of the project will bring several socio-economic benefits to the people of North Eastern region.

The polymer industry, which accounts for more than 60% of the total production of major petrochemicals in India, has significant growth prospects. The rapid advances in rural marketing, organized retailing, agriculture, automobile, telecommunication and healthcare sectors etc. point to a rising demand for plastics. With one of the lowest per capita consumption levels, good demand potential for plastics and increase in purchasing power of the people, the northeastern region offers an excellent opportunity for investing in petrochemical business. The initiative of Government of Assam to set up a Plastic Park is expected to provide the necessary impetus to local consumption of polymers and generation of employment opportunities in the downstream sectors. As the sole marketer of your Company's products, GAIL (India) Limited is making arrangements for hundred percent evacuation and sales of the products to various locations in India as well as to the nearby countries.

Our human resource is the most important resource of your Company. I am happy to say that your Company

has made commendable progress in maintaining cordial industrial relations and providing comprehensive welfare facilities to all employees of the Company. There is a conscious endeavour to foster a participative management culture by adopting a consultative approach within the Company and establishing a harmonious relationship with all the stakeholders.

Your Company has also been a responsible corporate citizen and has contributed to the society in areas of health care, hygiene, education, infrastructure development and environment, albeit in a limited manner commensurate with its nascent growth stage. During the year under review, your Company has been involved in the development of drainage system and installation of street lights, construction of girls' toilets in Government schools, vocational and skill development training for rural women and construction of a Community Hall in and around its areas of operation. Your Company has also initiated steps for imbibing the practice of sustainable development in its working and is in the process of evolving a comprehensive policy for the same.

On behalf of the Board of Directors of your Company, I wish to reiterate our commitment to discharge responsibilities in a manner that we enjoy the continued confidence of all stakeholders. Ever since the beginning, sufficient measures have been taken to ensure that your Company follows the canons of corporate governance in letter and spirit. A report on corporate governance forms part of this Annual Report.

We solicit the continued support of the Government of India and the promoters namely, the Government of Assam, Oil India Ltd., Numaligarh Refinery Ltd. and GAIL (India) Ltd., in strengthening our hands to achieve our goals and in guiding your Company towards a bright future.

B C Tripathi
Chairman



Directors' Report

Dear Shareholders,

Your Directors have the pleasure of presenting the eighth Annual Report of the Company along with the audited Statement of Accounts for the year ended 31st March, 2015.

Project Progress

Your Company is now on its final stages of commissioning of the project with a total physical progress of 99.6% at the end of the year under review. The proposal for revision of the project cost and schedule is under consideration of the Government of India, as per which the commissioning of the project was targeted by June, 2015. The commissioning in major process areas have already been achieved except certain remaining jobs in Ethylene Cracker Unit (ECU) & Linear Low Density Polyethylene (LLDPE)/ High Density Polyethylene (HDPE) units. The remaining jobs in certain areas of ECU & LLDPE/ HDPE units are under process of completion and is scheduled to be commissioned in September, 2015. The sale of Polypropylene has been made possible with intermittent operation of the Polypropylene Unit (PPU), which is commissioned and running on outsourced liquid propylene.

Being on the final leg of completion, the project has achieved many important milestones during the year ended 31st March, 2015 some of which are highlighted below:

• **Construction:**

Civil works of the complex have been completed. Mechanical completion of all the units at Lepetkata has been broadly achieved. Electrical and Instrumentation works are going on in earnest and are on the verge of completion.

• **Commissioning of following units has been achieved:**

- Plant Air, Instrument Air and Nitrogen unit.
- Fuel gas header.
- Fire Water system.
- GTG-1 with HRSG-1, Utility Boiler-1 at CPP. Power & steam generation has already started on trial basis.
- Duliajan-Lepetkata Rich and Lean gas pipeline.
- Cooling Towers (CT-1, CT-2)
- Raw Water Treatment Plant.
- DM Water Plant.

Tireless efforts are on towards pre-commissioning/ commissioning activities in other units for commissioning the project as per the revised schedule.

• **Health Safety and Environment (HSE)**

Your Company is fully committed to ensure safe commissioning of the project and Standard Operating Procedures (SOPs) of the various units have been developed. Accordingly, specialised training is being imparted to regular and contractual manpower for ensuring safe operation of the plant and adherence to laid down SOPs.

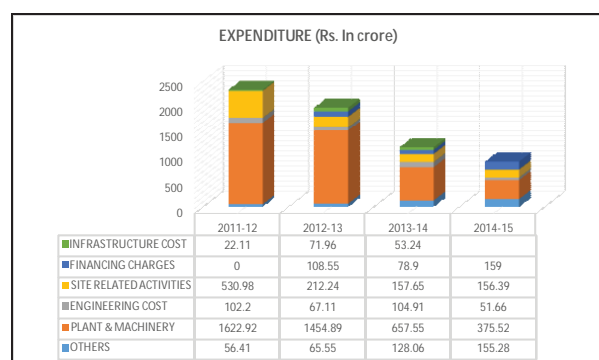
In addition, Fire & Safety training is being regularly imparted along with organizing of a number of awareness programmes for the employees, CISF personnel, and contract workers as well as the visitors in the Plant. To keep the human resources sensitised on issues relating to safety, a monthly Safety Day is being observed in all units on the 10th of every month. Various safety promotional



activities are also undertaken in the plant to enhance the HSE performance of your Company. In order to oversee implementation of the HSE policy and to monitor the compliance of safety guidelines & statutory requirements a Committee of Board on Health Safety & Environment has been constituted and relevant issues are being regularly placed before it.

Financial Summary

The overall financial progress achieved till the end of the financial year under review was 96.06% with firm financial commitments of over ₹ 9291.85 crore.



Your Company has received the total sanctioned amount of Capital Subsidy of ₹ 4708.95 crore

(including net interest earned thereon) from the Government of India. Secured loans of ₹ 987.58 crore were drawn during the year from OADB and SBI and the total secured loans as on 31st March, 2015 was ₹ 2226.75 crore. Out of a cumulative expenditure of ₹ 8568.96 crore, a total expenditure of ₹ 897.85 crore was incurred during the year. The authorised share capital of your Company is ₹ 2000 crore and the paid up capital has gone up to ₹ 1173.71 crore.

Project Cost

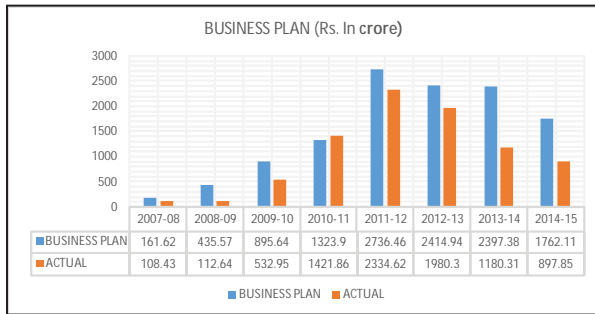
The CCEA had on 16th November, 2011 approved a revised project cost of ₹ 8920 crore; however due to time and cost overrun, the proposal for a revised project cost of ₹ 9833.52 crore has been submitted to the Government of India and is under process for approval.

Business Plan 2014-15

Your Company had a Business Plan of ₹ 1762.11 crore during the year, against which the actual expenditure was ₹ 897.85 crore. The major expenditure heads of the capex include Plant &



A section of the plant in perspective



Machinery (` 375.52 crore), Engineering Cost (` 51.66 crore), site related facilities (` 156.39 crore), financing charges (` 159 crore).

The conservation of energy, technology absorption, foreign exchange earnings and outgo:

(A) Conservation of energy-

i.	the steps taken or impact on conservation of energy	Being in the project execution stage, there are as yet no cases for disclosure with regard to conservation of energy
ii.	the steps taken by the Company for utilising alternate sources of energy	
iii.	the capital investment on energy conservation equipment	

(B) Technology absorption-

i.	the efforts made towards technology absorption	Being in the project execution stage, there are as yet no cases for disclosure.
ii.	the benefits derived like product improvement, cost reduction, product development or import substitution	
iii.	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	

a.	the details of technology imported	The Company has entered into contracts with the following Licensors for import of technology for its different units: UNIT LICENSOR (i) Ethylene Cracker Unit – Lummus Technology, USA (ii) LLDPE/HDPE Swing Unit -INEOS, UK (iii) Polypropylene Unit -Lummus Novolen, Germany No new technologies have been imported during the last three years.
b.	the year of import	(i) ECU – License Agreement signed on 14.05.2009. (ii) LLDPE/HDPE – License Agreement signed on 18.03.2009. (iii) PPU – Licence Agreement signed on 31.03.2009. No new technologies have been imported during last three years.
c.	whether the technology has been fully absorbed	Being in the project execution stage, there are as yet no cases for disclosure.
d.	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
iv.	the expenditure incurred on Research and Development	Being in the project execution stage, there are as yet no cases for disclosure.

(C) Foreign exchange earnings and outgo-

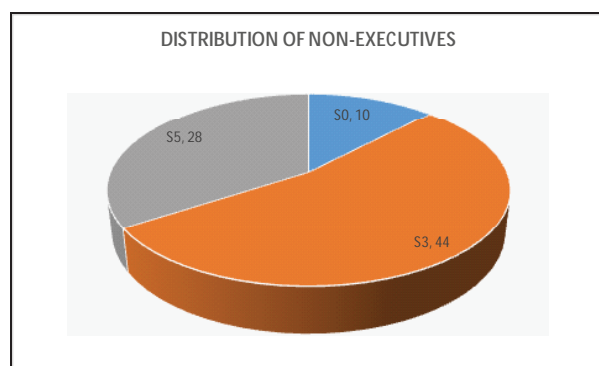
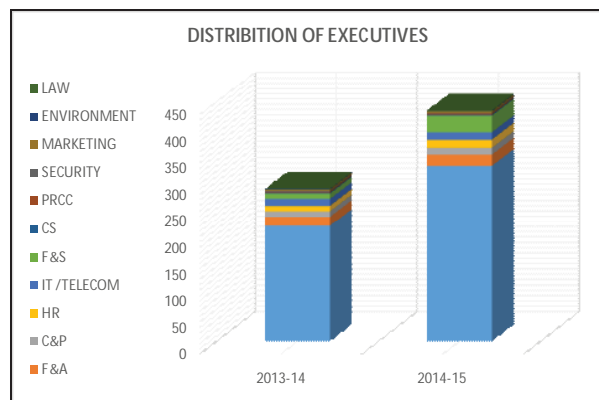
During the year, there was no foreign exchange earned in terms of actual inflows and the foreign exchange outgo in terms of actual outflows was ` 116.09 crore.

Particulars of Employees

None of the employees were drawing remuneration which exceeds the limits specified in Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the year under review.



Human Resource



The employee strength of your Company as on 31st March, 2015 was 434 including 353 executives and 81 non- executives out of which 60% are from the North East Region. In addition 52 executives are on secondment/deputation from the promoter Company i.e., GAIL. This includes 46 women employees comprising 10.3 % of the total workforce. Besides, maintaining a cordial industrial relations climate during the year, your Company continued to provide comprehensive

welfare facilities to all members of the BCPL family. Your Company has always encouraged a participative culture in the management by adopting a consultative approach with colleagues, establishing a harmonious relationship with all its stakeholders. Various sessions are held periodically to ensure employee participation through sharing of information in various cases thereby seeking the support, suggestions and cooperation of the human resource. The BCPL Staff Welfare Committee constituted in the year 2013 has been organizing various events providing a platform to employees for interaction and association therein, helping in cementing employee relations.

The total work force in your Company will eventually be 700 (491 executives + 209 non-executives) considering the commissioning and subsequent operation & maintenance of the plant. The recruitment process is being expedited. Adequate representation is being given to female employees and minorities who account for more than 10.39% and 5.31% respectively of the total employee strength.

Your Company is committed to recruiting and retaining quality manpower, tapping their true potentiality and keeping them motivated and updated by conducting technical training for different disciplines/ departments of the plant through the licensors and external agencies both in India and abroad and also through training on



Spondon- a cultural programme by the Staff Welfare Committee

other aspects like induction, safety, motivational and behavioral, nutritional, stress management etc. In the year 2014-15 training covering 1907 mandays was organised.

Policies with regard to prevention, prohibition and redressal of sexual harassment of women at work place,



Vigilance awareness pledge taking ceremony

coverage of non-executives and enhancement of coverage in terms of group personal accident insurance scheme of employees etc. have been formulated. No complaints of sexual harassment of women at workplace have been received during the year. Commendably, your Company has also devised the Citizen Charter, which is hosted in its website for the public as a matter of transparency in work.

Along with implementation of the project, your Company has been constructing a township at a distance of approximately 5 kms from the project site for accommodating employees and their family members and the progress has been appreciable. It is spread over 400 bighas, nearly 72 B Type family quarters having been already constructed and allotted to the executives. The construction of C Type family quarters are in progress and few have been allotted to eligible executives. This has facilitated the accommodation of employees and their families close to the project site.

Industrial Relations

In order to safeguard the interest of the contract workers your Company has ensured strict compliance of applicable Labour Laws at its various project sites (Lepetkata, Duliajan, & Lakwa). Your Company has ensured payment of minimum wages to all the contract labourers as prescribed under Minimum Wages Act, 1948. Display of latest

minimum wages at various conspicuous locations in the project premises is made for information & necessary compliances by all contractors and contract labourers. Your Company is committed to timely intervention in any labour related issues so that they are promptly resolved in close coordination with Regional Labour Commissioner (Central), Dibrugarh. Further, demands from the Project Affected Persons (PAPs)/ local persons and several other organizations for employment in the Company have been addressed effectively in the interest of the project. Your Company has been making all efforts and taking pro-active measures to maintain a progressive and harmonious industrial relation between contractual labourers/ contractors and management by timely addressing all labour related matters to avoid loss of man-days.

Meetings of the Board and changes in the Board of Directors & key managerial personnel

During the year under review, six meetings of the Board of Directors were held and the following changes occurred in the Board of Directors and key managerial personnel:

- (i) Shri P Padmanabhan, Managing Director, NRL was appointed as a Director of the Company w.e.f. 22.05.2014 in place of Shri Dipak Chakravarty who ceased to be a Director w.e.f. 01.04.2014 .
- (ii) Shri O P Tailor, Director (Finance) was designated as Chief Finance Officer of the Company on 22.05.2014.
- (iii) Shri S Venkatraman ceased to be a Director w.e.f. 30.09.2014.
- (iv) Shri P S Lokhande, Dy. Secretary, Ministry of Petroleum & Natural Gas (MoP&NG), was appointed as a Director of the Company w.e.f. 17.10.2014 in place of Shri Nikunj Kumar Srivastava who ceased to be a Director w.e.f. 02.09.2014.
- (v) Shri P C Sharma ceased to be a Director w.e.f. 16.12.2014.



Details of composition and meetings of the Board including attendance have been provided in the Corporate Governance Report forming part of this report.

Corporate Social Responsibility

Corporate Social Responsibility has always been the cornerstone of success of every Company. Your Company sees itself as an essential part of the society and is well aware of its responsibilities beyond financial considerations towards improving quality of life of the communities at large.

Your Company has undertaken various CSR initiatives for 2014-15 taking into consideration the requirement of the local populace. An internal cross functional committee, after review and examination, recommends proposals for implementation. An amount to the tune of ` 1 Crore has been committed during the year under review towards the discharge of corporate social responsibility. Some of the important projects taken up during the year are as under:

1. Development of drainage system & installation of street lights in the Barbaruah area.
2. Construction of Girls' Toilet in four Government schools in the vicinity of BCPL Project.

3. Vocational and skill development training for 100 rural women of nearby areas.
4. Construction of a Community Hall at Lalmati.

A sub Committee of the Board on Sustainability & CSR has already been formed and the updation in the CSR Policy aligned to the requirement of new Companies Act is being firmed up.

Sustainable Development

Your Company has undertaken and completed development of a Green Belt by planting additional 2000 trees around the plant during the year and with these a total of 7200 trees have been planted so far with a cumulative expenditure of ` 14.5 Lakhs. There is a plan for planting an additional 3500 trees during the year 2015-16. Your Company is committed to proper disposal of construction and other wastes in line with various statutory requirements, in an environment friendly manner. Further, "Consent to Operate" for Duliajan and Lepetkata have been obtained from the Pollution Control Board, Assam on 07.05.2014 and 09.06.2014 respectively for the year under review.

Vigil Mechanism

The Company has a Whistle Blower Mechanism as per which the Public Interest Disclosure and



Planting of sapling by Shri P N Prasad, Managing Director, on World Environment Day



BCPL employees carrying out Swachh Bharat Campaign at Dibrugarh



Protection of Informer (PIDPI) Resolution No 89 of Government of India is being followed.

Right to Information Act, 2005

The Company adheres to Government instructions issued in pursuance of the Right to Information Act, 2005, and has designated a Central Public Information Officer and First Appellate Authority under the Act. A total of 18 RTI queries were received during the financial year 2014-15, to which replies were duly sent as per the provisions of the Act.

Statutory Auditors' Report

M/s Das & Sharma, Chartered Accountants, Guwahati were appointed by the Comptroller and Auditor General of India as Statutory Auditors of your Company for the year under review and their report is annexed hereto.

Comments of Comptroller & Auditor General (C&AG) of India

The Comptroller & Auditor General of India has undertaken supplementary audit on the accounts of the Company for the year ended 31st March, 2015 under Section 143 (5) of the Companies Act, 2013. The comments of the C&AG on the Annual Accounts of the Company for the year under review are also annexed hereto.

Secretarial Audit Report

M/s Biman Debnath & Associates, Practicing Company Secretary was appointed as the Secretarial Auditor of your Company for the year under review and their report along with explanation of the Board to the observation therein pursuant to the provisions of Section 134 (3) (f) of the Companies Act, 2013, is annexed hereto.

Management Discussion & Analysis

A Management Discussion & Analysis Report as stipulated in the DPE Guidelines on Corporate

Governance for CPSEs forms part of the Annual Report.

Corporate Governance

A separate section on Corporate Governance forming part of the Directors' Report and a certificate from a Practicing Company Secretary confirming compliance of Corporate Governance norms as stipulated in the DPE Guidelines on Corporate Governance for CPSEs is included in the Annual Report.

Adequacy of internal financial controls with reference to the Financial Statement

Since inception, your Company has taken due care to ensure that there are sufficient internal controls for safeguarding its assets and also that there is reliable financial reporting, timely feedback on the achievement of targets and compliance with applicable laws and regulations. Your Company has been gradually introducing its own systems, policies and procedures and in areas in which this is yet not achieved, those of its holding Company are being followed. A risk management policy is in place. Quarterly internal audit has been conducted by the Internal Auditors, M/s Deloitte Haskins & Sells. The progress and activities of your Company is being continuously monitored and reviewed at all levels including the holding Company, GAIL, the State and Central Government authorities.

Audit and other Committees of the Board

Details as to composition, meetings and attendance of the Committees of the Board including the Audit Committee and the Nomination & Remuneration Committee are provided in the Corporate Governance Report forming part of this report.

Responsibility Statement of the Board of Directors

As required by Section 134 (3) (c) & 134(5) of the Companies Act, 2013 your Directors to the



best of their knowledge and explanation affirm that:

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. the Directors had selected such accounting policies and applied them consistently except changes as per the New Companies Act, 2013 (Ref. Note No. 19 to Balance Sheet on "Significant Accounting Policies") and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors had prepared the annual accounts on a going concern basis; and
- v. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Statement on Declaration of Independence by Independent Directors

The Independent Directors have affirmed that they meet the criteria of independence specified under section 149(6) of the Companies Act, 2013.

Particulars of contracts or arrangements with related parties

The particulars of contracts or arrangements with related parties pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies

(Accounts) Rules, 2014 is annexed hereto in the specified format.

Extract of the Annual Return

An extract of the Annual Return pursuant to section 134(2)(a) of the Companies Act, 2013 is annexed hereto in the specified format.

Particulars of loans, guarantees or investments under section 186

The Company has not given any loan/provided any guarantee or security in connection with a loan to any person or other body corporate and acquired by way of subscription, purchase or otherwise, the securities of any other body corporate during the year under review.

Risk Management Policy

Your Company has a Risk Management Policy for identification, evaluation and mitigation of risks. As per the policy, identification of risks is to be carried out by the Risk Management Committee on the basis of activities categorised into Corporate, Construction including commissioning, Operations & Maintenance and Marketing. Risks identified are to be categorised into High, Medium and Low depending on risk probability and impact.

Being in the project implementation phase, Construction & Commissioning Risk is the single significant risk at present, which is being continually reviewed at all levels including the Board of Directors, the holding Company and the Government.

Acknowledgement

Your Directors remain ever grateful to the Ministry of Chemicals and Fertilizers, the Ministry of Petroleum and Natural Gas and the Ministry of Environment and Forests for their continued support and guidance. Your Directors are deeply indebted to the promoters, GAIL, OIL, NRL and Government of Assam for their assistance and hand-holding since inception and likewise



BRAHMAPUTRA CRACKER AND POLYMER LIMITED

to the lenders, Oil Industry Development Board and State Bank of India for their assistance. Your Directors appreciate the continued cooperation of the entire team of EIL, the bankers, consultants, suppliers and the various intermediaries in expediting the project development process. Your Directors acknowledge the co-operation and advice extended by the Internal Auditors, the Statutory Auditors and the officials of the Comptroller & Auditor General of India. Last, your

Directors acknowledge the unstinted efforts of the employees who despite all odds have persevered for speedy project execution and for rendering your Company a living, breathing organization.

Sd/-

Dated: 28.07.2015
Place: New Delhi

(B C Tripathi)
Chairman



Inauguration of the Administrative Building at Lepetkata by Shri Surjit Kr Chaudhary, IAS, Secretary, MoC&F. Also seen are Shri P N Prasad, Managing Director and Shri O P Tailor, Director (Finance)



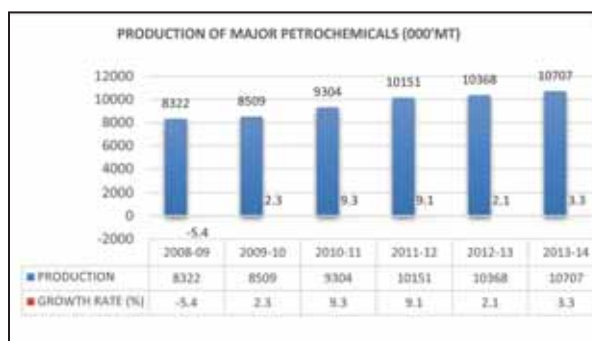
Management Discussion and Analysis Report

Industry Structure and Developments

The chemical industry which includes petrochemicals, is an integral constituent of the growing Indian Industry and is one of the most diversified sectors covering thousands of commercial products, also forming the mainstay of industrial and agricultural development in the country. The petrochemical industry occupies a pivotal position in meeting some basic human needs and in improving the quality of life. Everyday life has been transformed over the last few decades by the use of synthetic polymers, also known as plastics and the downstream petrochemical products have pervaded our daily lives in almost every aspect, catering to the need of textiles and clothing, agriculture, packaging, infrastructure, healthcare, furniture, automobiles, information technology, power, electronics and telecommunication, irrigation, drinking water, construction and a host of other items of daily and specialised use in other developing areas.

Development in the sector has been driven largely by the need for conservation of natural resources and the inherent advantages and energy efficiency of the products, promoting ground-breaking designs and savings in cost. More and more synthetic products are now being used in manufacturing as compared to conventional material based products. Demand is essentially derived demand depending on the overall growth in the economy and its constituent sectors. Feedstock comprises of Hydrocarbons, one of the most valuable and precious resources. Olefins including Ethylene & Propylene and Aromatics including Benzene &

Xylene isomers constitute the two main classes of petrochemical raw materials.



Source : Annual Report 2013-14, DCPC

As evident from the above tables, polymers account for more than 60% of the total production of major petrochemicals. The production of major petrochemicals in 2013-14 was 10707 thousand MT, compared to 10368 thousand MT in 2012-13, implying a growth of 3.3%. In polymers, the production in 2013-14 was 6784 thousand MT, compared to 6424 thousand MT in 2012-13, implying a growth of 5.6%.

Though the plastic industry in India is large, optimal tapping of the potential has not been possible as it

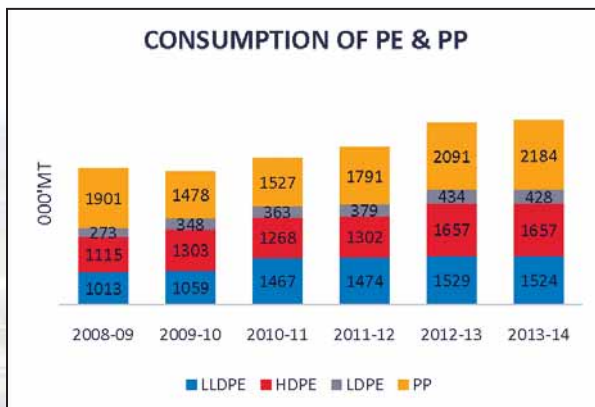
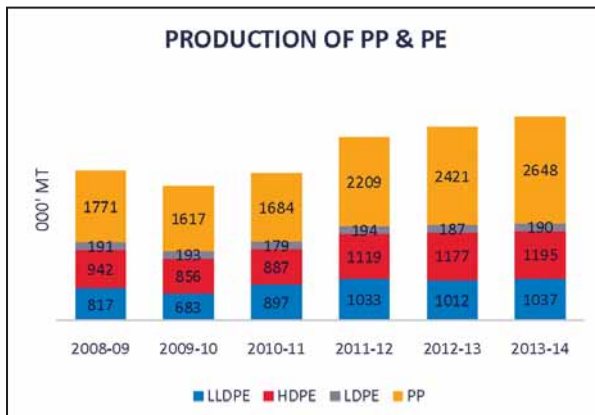


is highly fragmented with micro, small and medium units constituting the major chunk. The economies of scale of such fragmented units notwithstanding, the India petrochemical industry has been one of the fastest growing and has carved a niche for itself in the economy with plastics and polymers evidencing maximum growth. Polypropylene (PP), Poly vinyl chloride (PVC), Polystyrene (PS), Polyethylene (PE) and Acrylonitrile Butadiene Styrene (ABS) are commonly used polymers. PE again is of three types - high density polyethylene (HDPE), low-density polyethylene (LDPE), linear low density polyethylene (LLDPE). The primary products of the Company, PP, LLDPE and HDPE are essentially used in the manufacture of plastic products and PP is undoubtedly the fastest growing Polymer.

by global standards and in comparison with world leaders like USA, UK, China, South Korea and Japan. The net import of Polymers in the country in 2013-14 was 1938614 MT worth ` 14551 crores. China, Turkey, Pakistan, Nepal, Bangladesh, Vietnam are favoured export destinations with PP accounting for the major share. Imports are mainly from the Middle East, USA and Southeast Asia. India accounts for only 1.28% & 1.97% of the world exports and imports respectively in Plastics and Plastic products.

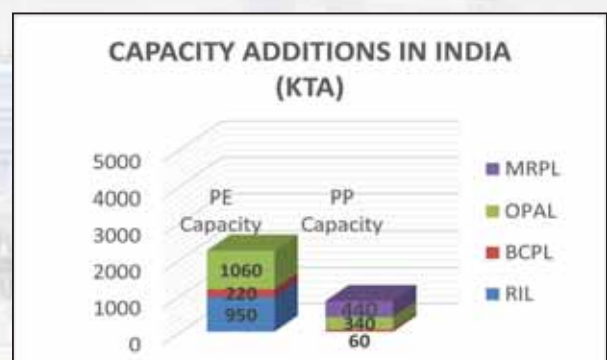
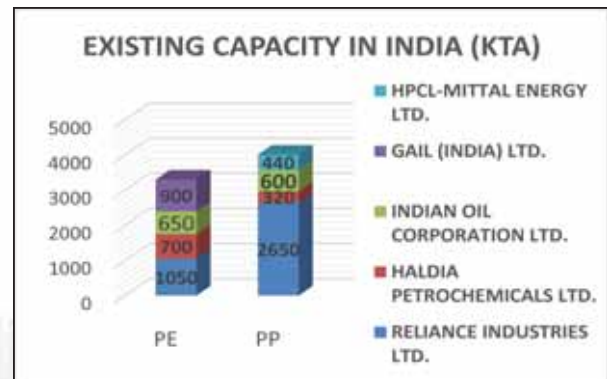
Though naphtha and natural gas are the conventional sources of feedstock in the polymer industry, in the global scenario alternative feedstock like Ethane, LPG and methanol-to-olefins are fast emerging in the production of Ethylene, particularly in the Middle East and North America due to their availability at cost effective prices.

India has five naphtha-based, four gas-based and one dual-feed cracker units with a combined capacity of 7.55 MMT per annum. Four new cracker units including the Company's own are coming up, out of which three are expected to start up by 2015-16.



Source: DCPC Statistics

With an estimated per capita consumption of about 7 kg, the country's contribution is not very large





Strengths and Weaknesses

Better known as the Assam Gas Cracker Project, this flagship venture has whetted the interest and expectations of the people of the northeastern region since its inception under the aegis of the Assam Accord of 1985. Needless to say, it has gained tremendous support from all quarters of the state and central governments without which it would not have reached its present status. The Government of India has taken initiative for standardisation of plastic products under the 'Make in India' campaign to encourage plastic industries. Rationalisation of Customs Duty structure announced in the Budget for 2014-15 to enhance competitiveness of domestic petrochemical industry, will definitely augur well for the industry in the face of international challenge. Mention may be made of the Government of Assam initiative to set up a Plastic Park in Tinsukia district at a distance of 40 kms from the BCPL project site, spread over an area of 500 acres. Backed by the incentives under the Industrial & Investment Policy of Assam, 2014, the Plastic Park is expected to accommodate downstream industries which in turn would be a ready market for the Company's products. The potential for market is promising and an internal study conducted by the Company to assess downstream potential in the north east market comprising of Assam, Meghalaya, Manipur, Mizoram, Nagaland and Tripura, shows that the annual polymer consumption in Assam is estimated at 100 KTPA, while overall in the north east it is estimated at 112 KTPA. The dual feed technology in the project reduces dependence on a lone feedstock, providing an option to replace natural gas with naphtha and vice versa without any changes.

The biggest plus for the project has been the unstinted support of its promoters having a formidable track record in the field of hydrocarbons, be it by way of equity contribution, sharing of expertise or supplementing of experienced manpower

through secondment/deputation. As agreed, GAIL (India) Limited, the holding Company has taken responsibility for 100% evacuation of the products and by-products of your Company by using its own marketing network. This arrangement has greatly reduced a major worry regarding marketing of products from a remote part of the northeast. Feedstock tie-ups will also ensure sufficient availability from OIL, NRL and ONGC. The project has also had the advantage of the extensive project implementation experience of the Project Management Consultants, Engineers India Ltd.

With the commissioning of the project, use of plastics in the furniture and construction sectors in the region is expected to replace the use of wood. This would definitely contribute to the arrest of deforestation and promote conservation of the rich biodiversity of the region.

Being highly capital intensive, the project involves huge capital cost and is reliant on capital and feedstock subsidies and other concessions from the Government, leaving it exposed to uncertainties should such support be withdrawn by the Government in future.

Lack of adequate infrastructure in the northeastern region and remoteness of the plant site present a logistical drawback in terms of transporting equipment to the project site, attracting and retaining quality manpower and despatch of products from the plant in future. Development of the township and introduction of better facilities and benefits for employees and the growth potential of regional demand as evidenced by the present low consumption are expected to mitigate these adverse factors to an extent. However, till the Plastic Park becomes a reality, the downstream absorption capacities in the region will remain fragmented, which is a matter of concern. The marketing tie up with GAIL alleviates apprehensions in this connection, to a great extent.



Opportunities and Threats

As an industry which provides essential inputs enabling other sectors to grow, the polymer industry provides an important link between natural resources and end products. The demand for plastics is therefore considered an indicator of industrial growth and its use is widespread having permeated all major sectors of the economy. It is aptly known as an 'enabler' industry and growth in other sectors automatically ups its prospects. Given the rapid strides towards development of rural marketing, organised retailing, agriculture, automobile, telecommunication and healthcare coupled with favourable demographics and increasing money power, in the country where the estimated per capita consumption of plastic is a meagre 7 Kg as compared to developed nations like USA, the growth prospective of the polymer industry is huge. The northeastern region, with one of the lowest per capita consumption levels, presents a golden opportunity to your Company in the absence of any significant competitor. Besides domestic demand, export opportunities in neighbouring countries cannot be undermined.

Your Company has approached MoPNG through its administrative ministry for the first right of refusal of future gas-finds in nearby regions. Opportunity exists for tapping the additional gas finds by M/s HOEC in nearby region for capacity augmentation of the BCPL Plant.



Availability of comparatively cheap labour in the northeast vis-a-vis other developed regions of the country is an added advantage for expanding capacities.

Various schemes of the Central Government including setting up of Petroleum, Chemicals and Petrochemical Investment Regions (PCPIRs), Centres of Excellence (CoE), Plastic Parks are expected to provide the incentive for integration and growth of this otherwise fragmented sector, in an environment friendly manner offering the benefits of, common infrastructure and support services, networking and ultimately, greater efficiencies. The Centre also has a scheme for incentivising meritorious innovations and institutions by way of the National Award for Technology Innovation in Petrochemicals and downstream Plastic Processing Industry.

In general, the petrochemical industry is cyclical in nature and prices are unpredictable despite strong demand, as the industry passes through 6 to 8 years phases of highs and lows. High feedstock cost, one of the major components of cost of production, deprives producers in India of the cutting edge in market competition as compared to the middle-east where cost on this account is comparatively low. The threat of cheaper imports finding favour under the open market regime is therefore omnipresent with dumping of cheaper products from low cost producers outside the country being an unfortunate reality in the sector.

Dogged by remoteness of location, your Company has faced limitations in availability, recruitment and retention of technically skilled and experienced manpower. In this however, the role played by the promoters in augmenting manpower requirement at every stage, has been laudable.

Environmental concerns and the growing awareness on conservation has an adverse threat perception so far as use and disposal of plastics is



concerned and could pose a major threat to the sector. Sensitisation of the society to the benefits that would ensue by replacing wood in construction and furniture with plastics, needs to be carried out so that the public at large realize the role of plastic in actually arresting the depletion of the precious forest resources. Moreover, developments in the field of biodegradable and photodegradable plastic and resultant improvement in product quality with reduced adverse effect on environment, is expected to alleviate this threat perception to a large extent.

Segment wise or Product wise Performance

The project is yet to be commissioned.

Outlook

As an enabler industry, the plastic industry is dependent on the growth in other sectors of the economy. There has been a slowdown in the Indian economy in the recent years as evidenced by the fall in GDP and the plastic industry has been hit by the general economic troubles in the last two years, including the weakening rupee. India's industry also suffers competitively due to its smaller capacities as compared for one, to neighbouring China's plastic sector. Despite these setbacks, the underlying economic activity remains strong with the use of plastics spreading to more and more sectors, replacing conventional material. Long term drivers include the fast growing rural incomes and expanding annual car production.

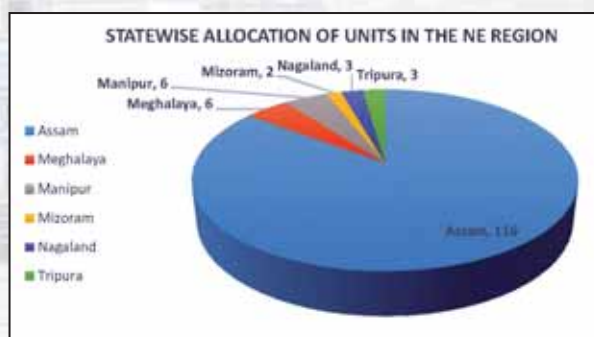
All polymers are expected to grow at approximately 10% CARG during the 12th plan period. It is also expected that there will be substantial increase in capacities of PE with small increase in capacities of PP and PVC, with the overall polymer capacity expected to increase to over 12.67 million tonnes in FY 2017. Being to a great extent self-sufficient in petrochemicals, the focus in India needs to shift to exports. Supportive government policy is the need of the hour to take care of deterrents such



as adverse investment and business environment including low import duties on petrochemical products, infrastructure bottlenecks, high energy cost coupled with high internal transaction costs.

As per an internal study conducted by the Company to assess downstream potential in the north east market comprising of Assam, Meghalaya, Manipur, Mizoram, Nagaland and Tripura, the annual polymer consumption in Assam is estimated at 100 KTPA, while overall in the north east it is estimated at 112 KTPA. Looking at the freight advantage vis-à-vis other companies in the region, efforts would be to target the units located in various north - eastern states and it is expected that a significant part of the 280 KT annual polymer production would be absorbed in the region.

As far as your Company is concerned, the commissioning in major process areas have already been achieved except certain remaining jobs in Ethylene Cracker Unit (ECU) & Linear Low Density Polyethylene (LLDPE)/High Density





Polyethylene (HDPE) units. The remaining jobs in certain areas of ECU & LLDPE/HPDE units are under process of completion and is scheduled to be commissioned in September, 2015.

Risks and Concerns

Comparative high project cost due to sub-optimal capacity of plants resulting from feedstock availability limitations, is a matter of concern. In the case of your Company, delay in project implementation and resultant cost escalation compounds the matter. Due to project delay, despite firm arrangements by the Government of India for feedstock availability for 15 years of plant operation, increase in feedstock prices is a strong eventuality and there has already been substantial increase in prices since the time of approval of the project. Further, there is no certainty of continuation of government support in the form of feedstock and other subsidies in the future.

The main concern for the stakeholders, of course, has been delay in project implementation and the shift in commissioning timeline. Your Company has faced various challenges during project construction including delay in finalisation of licensor due to sub optimal size of the plant, delay in permission from statutory authorities regarding minor minerals- silt, earth, sand etc. , frequent theft / sabotage, misplacement of project materials by contractor leading to additional procurements with time and cost implications, financial crunch faced by the project executing contractors resulting in inadequate mobilization of resources etc., to name a few.

However, with the overall project progress of 99.6% on 31st March, 2015 and mechanical completion having been broadly achieved in all units in Lepetkata, the tireless endeavours of team BCPL are on to ensure operation of the project in totality by September, 2015.

Logistical difficulties coupled with a perception of adverse business climate present a challenge peculiar to private investments in the region. This to a great extent is expected to be mitigated by the setting up of the Plastic Park planned in Tinsukia district by the Government of Assam as well as the incentives under the industrial and investment policy of Assam. Further, opportunities in neighbouring Myanmar and Bangladesh need to be tapped.

As the project is yet to be implemented there is currently no operational risk and with overall physical progress as on 31st March, 2015 already being about 99.6% the construction risk is very low. A risk management policy is however in place and various risks are being periodically reviewed to identify and mitigate construction phase, financial, operational and other risks. Legal compliances in your Company are reviewed by the Board of Directors periodically.

Internal Control Systems and their adequacy

Since inception, your Company has taken due care to ensure that there are sufficient internal controls for safeguarding its assets and also that there is reliable financial reporting, timely feedback on the achievement of targets and compliance with applicable laws and regulations. Your Company has been gradually introducing its own systems, policies and procedures and in areas in which this is yet not achieved, those of its holding Company are being followed. A risk management policy is in place. Quarterly internal audit is being conducted by the Internal Auditors, M/s Deloitte Haskins & Sells. The progress and activities of your Company is being continuously monitored and reviewed at all levels including the holding Company, GAIL, the State and Central Government authorities.

Financial Performance with respect to Operational Performance

The Company is yet to begin commercial operations.



Material developments in Human Resources, Industrial Relations front including number of people employed

Your Company has made commendable headway in its efforts to recruit and retain quality manpower, keeping its human resource highly motivated to maximise performance towards the achievement of the organisational vision, mission and objectives through harmonious balance of various factors including compensation, benefits, training, leadership development, delegation, congenial working relations and work culture. The key areas of focus of HR management in your Company have been recruiting quality people, training, motivating and retaining them and ensuring workplace safety. There has been a conscious effort to increase the efficiency of the employees by conducting technical training for different disciplines/ departments of the plant through the licensors and external agencies both in India and abroad and also training on other aspects like induction, safety, motivation and behaviour, nutrition, stress management training etc. In the year 2014-15 the Company organised trainings to cover 1907 man-days.

Your Company is also constructing its Township for accommodating employees and their families. 72 B Types quarters have been constructed and already allotted to the entitled employees. The construction of C Type quarters is in progress and few have already

been allotted to eligible executives. As on 31st March 2015, 78 family quarters have been allotted enabling the employees to stay within the campus, with their families.

During the year under review there has been a steady introduction of new policies and benefits on the HR front including prevention probation and redressal of sexual harassment of women at workplace, coverage of non-executives and enhancement of coverage of employees to the group personal accident insurance scheme of employees.

Most of the skilled / semi-skilled / unskilled workers engaged in the construction work are from the Northeast Region. The strength of human resources of the Company as on 31st March, 2015 was 435, out of which 353 are executives and 81 are non-executives with 60% from the North East Region. In addition 52 executives are on secondment from the promoter Company i.e., GAIL. Moreover, continuous recruitment process is going on to hire more human resources in different disciplines having various skills, knowledge, experiences and ability to make up the balance requirement of human resources in your Company.

Environmental Protection and Conservation, Renewable Energy Developments, Foreign Exchange Conservation

Your Company is aware of its obligations towards conservation of the environment. Pollution control



Hindi Pakhwada in progress



Training on reservation roster



and other environment protection norms are being complied with. There is an effluent treatment plant which will take care of proper effluent discharge within the prescribed limits and due clearance has already been taken from the Pollution Control Board, Assam for the plant. Once the project begins operations, the aspects of conservation of foreign exchange and the development of renewable energy will achieve significance.

Corporate Social Responsibility

Despite being in project implementation phase, your Company has made commendable contribution to the society through its CSR initiatives in the areas of health care, hygiene, education, infrastructure development & environment, literacy enhancement to the extent possible. A Sub Committee of the

Board on Sustainability & CSR has already been formed and the latest CSR Policy aligned to the requirement of new Companies Act is being finalised.

Data Source: Publication of Statistics and Monitoring Division, DCPC, Annual Report 2013-14 DCPC, MoC&F.

Forward Looking Statement: *This document includes statements that are, or may be deemed to be, "forward-looking statements" which by their nature involve risk and uncertainty as they relate to future events and circumstances, a number of which are beyond the Company's control. As a result, actual future results may differ materially from the plans, goals and expectations set out in these forward-looking statements, due to economic conditions, government policies and other incidental factors such as litigation and industrial relation. Readers are advised not to place undue conviction on such statements.*



Tiny tots participating in Independence Day celebrations



Shri P N Prasad, Managing Director seen with others at the Company's stall in the All India Trade Fair, Jorhat.



Report on Corporate Governance

Company's Philosophy

Your Company is committed to the adoption of effective corporate governance practices to ensure transparency in all corporate decisions and activities, to enhance long term stakeholder value, to foster confidence of the stakeholders and the public and for sustained development of the Company. It has been the constant endeavour of the management to inculcate a culture of ethical and honest conduct with emphasis on integrity and accountability in the conduct of business.

Board of Directors

As on 31st March, 2015, the Board of Directors of your Company consisted of eleven Directors including an ex-officio Chairman nominated by GAIL, two Government Nominees (representing MoC&F and MoP&NG), one Non Official Part time Director and two Functional Directors including the Managing Director. The Nominee Directors are appointed in accordance with the Joint Venture Agreement and the Articles of Association of the Company.

The composition of the Board of Directors, along with Directorships and committee positions, attendance records during the year under review is as below:

Sl. No.	Name of the Director	Designation	No. of Directorships/ Chairmanship in other companies *		No. of Committee* Memberships / Chairmanship in other companies*		No of Board Meetings attended	Attendance in last AGM
			Chairman	Director	Chairman	Member		
Functional Directors								
1	Shri P N Prasad (DIN 03387453)	Managing Director	-	-	-	-	6	Yes
2	Shri O P Tailor (DIN 00370355)	Director (Finance)	-	-	-	-	6	Yes
Promoter Directors								
3	Shri B.C. Tripathi (DIN 01657366) Chairman & Managing Director GAIL (India) Ltd.	Chairman	2	1	-	-	6	No
4	Shri R. K. Dutta (DIN 00205669) Advisor Government of Assam	Director	-	2	-	-	5	Yes
5	Shri R T Jindal (DIN 05292121) Additional Chief Secretary to the Government of Assam, Industries & Commerce Department	Director	1	7	-	-	1	No
6	Shri P Padmanabhan (DIN 06807565) Managing Director Numaligarh Refinery Ltd. (w.e.f. 22.05.2014)	Director	-	-	-	-	5	Yes



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7	Shri Satchidananda Rath (DIN 03495179) Director (Operations) Oil India Limited	Director	-	2	-	1	4	Yes
8	Shri S Venkatraman (DIN 03039646) Director (BD) GAIL (India) Ltd. (Upto-30.09.2014)	Director	5	5	-	1	3	Yes
9	Shri P K Jain (DIN 02145534) Director (Finance) GAIL (India) Ltd.	Director	-	4	1	-	6	Yes
Government Directors								
10	Shri Avinash Joshi (DIN 06723083) Joint Secretary, Ministry of Chemical & Fertilizers, Department of Chemicals and Petrochemicals	Director	-	-	-	-	5	No
11	Shri P S Lokhande (DIN 06966587) Dy. Secretary, Ministry of Petroleum & Natural Gas (w.e.f. 16.10.2014)	Director	-	1	-	-	-	NA
	Shri Nikunj Kumar Srivastava (DIN 02008508) Director Ministry of Petroleum & Natural Gas (upto 02.09.2014)	Director	-	1	-	-	1	No
Independent Director								
12	Shri Prafulla Chandra Sharma (DIN 00513921) (Upto 15.12.2014)	Director	-	1	-	-	4	No
13	Shri Gautam Barua (DIN 01226582)	Director	-	2	-	2	4	Yes
(*) Committee positions refer only to Audit Committee and Stakeholders Relationship Committee.								
(#) Other Company means public companies only.								

Details of Board Meetings held during the year 2014-15.

Six meetings of the Board of Directors were held during the year.

No. of the Board Meeting	Date	Board Strength	No. of Directors Present
49 th	22.05.2014	13	12
50 th	07.08.2014	13	09
51 st	22.08.2014	13	11
52 nd	25.11.2014	12	09
53 rd	10.12.2014	12	07
54 th	24.02.2015	11	08



Profile of Directors being appointed / reappointed

Shri R K Dutta, Director, retires by rotation at the ensuing annual general meeting pursuant to section 152(6) of the Companies Act, 2013 and being eligible, offers himself for reappointment. Shri R K Dutta, Advisor (Cabinet Rank) to the Government of Assam on the Assam Gas Cracker Project (BCPL) has been one of the first Directors on the Board of Directors of BCPL w.e.f. 08.01.2007. Shri Dutta holds a Bachelor's degree in History from St. Stephen's College, New Delhi and a post graduate diploma in Marketing from Faculty of Management Studies, Delhi University. With over 45 years of rich experience in petroleum industry, he has also served as first Managing Director of Numaligarh Refinery Ltd and Chairman & Managing Director of Oil India Ltd.

Shri B C Tripathi, Director, retires by rotation at the ensuing annual general meeting pursuant to section 152(6) of the Companies Act, 2013 and being eligible, offers himself for reappointment. Being Chairman & Managing Director of GAIL, he is the ex-officio Chairman of the Company.

Shri B.C.Tripathi is a Mechanical Engineering Graduate from NIT Allahabad and graduated in 1982. He started his career in Oil and Natural Gas Corporation and subsequently joined Gas Authority of India Limited (now GAIL (India) Limited) in 1984 when the Gas Industry in India was at its infancy.

He was the project Manager for GAIL's prestigious Dahej-Vijaipur Pipeline project, which received Silver Medal for Excellence in project Management in the Mega Project Category from International Project Management Association, Germany. He has also published a case study on this project in Petromin Pipeliner. Over the past 27 years Shri Tripathi gained varied experience and competence in the areas related to Operation & Maintenance of Pipelines, Project Management, Contracts Management, Customer Relationship Management, Marketing etc.

Shri Avinash Joshi, Director, retires by rotation at the ensuing annual general meeting pursuant to section 152(6) of the Companies Act, 2013 and being eligible, offers himself for reappointment. Shri Avinash Joshi, Joint Secretary- Petrochemicals Division, Department of Chemicals & Petrochemicals, Ministry of Chemicals & Fertilizers, was appointed as a Director on the BCPL Board w.e.f. 29.10.2013. He is a member of the Indian Administrative Service, 1994 batch from the Assam-Meghalaya cadre. He has been working as Joint Secretary (Petrochemicals) to the Government of India in the Ministry of Chemicals & Fertilizers, Department of Chemicals & Petrochemicals, since September, 2013. In his current assignment he is over all in-charge of policy matters relating to Petrochemicals, plastics, synthetic fiber, elastomers. He has been closely monitoring the setting up of the Assam Gas Cracker Complex at Dibrugarh in Assam. He has also served an earlier stint with the Central Government as Director, Ministry of Commerce, Department of Commerce & Industry, Government of India.

He has held many important postings in the Central Government and State Government of Assam and State Government of Gujarat. During the last 19 years, he worked in various capacities and had a rich and varied experience in important field in the States of Assam and Gujarat. He worked as District Magistrate and Collector in Sabarkantha in Gujarat and Dhubri and Kamrup (Metropolitan) district in Assam. He has also worked extensively in primary education in both the States. He also served as Municipal Commissioner, Guwahati and Commissioner Panchayats & Rural Development, Government of Assam. He has also been instrumental in development of infrastructure in the approved PCPIRs in the states of Gujarat, Andhra Pradesh, Orissa and lately, Tamil Nadu.



BRAHMAPUTRA CRACKER AND POLYMER LIMITED

Shri P S Lokhande, Dy. Secretary, Ministry of Petroleum & Natural Gas (MoP&NG) was appointed as an Additional Director on the BCPL Board w.e.f. 17.10.2014. He is a member of the Indian Administrative Service, 2001 batch from the AGMUT cadre. He is a Mechanical Engineer. During his IAS career, he has served various departments/offices of the State and centre including Land Revenue MGMT and Urban Development.

Shri Subir Purkayastha, Director (Finance), GAIL (India) Limited was appointed as an Additional Director on the BCPL Board w.e.f. 11.05.2015. He is a Chartered Accountant and Company Secretary by professional qualification and has a rich experience of nearly 30 years in the areas of Corporate Finance and Treasury including Forex Risk Management, Capital Budgeting, Corporate Budgets, Corporate Accounts, Finalisation of Long Term LNG and Gas Agreements, Liquefaction and Regasification Terminal Service Agreement, Shareholders Agreements and Joint Ventures Agreement etc. Prior to his appointment as Director (Finance), he held the position of Executive Director (Finance & Accounts) in GAIL. He was on secondment to Petronet LNG Ltd. during its formative years from 1998 to 2002. He joined GAIL in 1985 as a Finance Officer and rose to the position of Director. Having joined in the early stages of the Company he was part and parcel of the growth trajectory of the Company. Besides GAIL (India) Ltd., he also holds the position of Director in GAIL Gas Ltd., GAIL Global (Singapore) Pte Ltd. and GAIL China Gas Global Energy Holding Ltd. He is the Chairman of the Audit Committee, GAIL Gas Ltd.

Audit Committee

The Audit Committee is headed by a Non-official (Independent) Director and during the year under review five meetings of the Committee were held on 08.05.2014, 18.08.2014, 25.11.2014, 08.12.2014 and 24.02.2015. Details of composition and attendance during the year under review is as below:

Name of Directors	No of meetings attended
Composition as on 31st March, 2015	
Shri Gautam Barua, Chairman (w.e.f. 24.02.2015)	5
Shri P K Jain, Member	5
Shri P Padmanabhan, Member (w.e.f. 24.02.2015)	1
Outgoing member during the year	
Shri P C Sharma, Chairman (up to 15.12.2014)	4

The Managing Director and the Director (Finance) were permanent invitees to the Committee. The terms of reference of the Audit Committee are in line with the DPE Guidelines on Corporate Governance and the Companies Act, 2013 and the recommendations of the Committee during the year have been accepted by the Board.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is headed by a Non-official (Independent) Director and during the year under review three meetings of the Committee were held on 22.05.2014, 07.08.2014 and 05.11.2014. Details of composition and attendance during the year are as below:



Name of Directors	No of meetings attended
Composition as on 31st March, 2015	
Shri Gautam Barua, Chairman (w.e.f. 24.02.2015)	3
Shri S Rath, Member	3
Shri R K Dutta, Member (w.e.f. 24.02.2015)	-
Outgoing member during the year	
Shri S Venkatraman, Member	2
Shri P C Sharma, Chairman (up to 15.12.2014)	2

All the members are non-executive Directors and the Managing Director is a Permanent Invitee to the Committee. The scope of the Committee is in consonance with the provisions of the Companies Act, 2013 and DPE Guidelines on Corporate Governance. It also reviews and recommends the formulation of HR policy in the Company.

Other Committees

An empowered Committee of the Board on Contracts and Procurement is also in place consisting of the following members for expeditious clearance of approvals for the project.

1. Shri S Rath, Director : Chairman (w.e.f. 25.11.2014)
Member (upto 24.11.2014)
2. Shri P S Lokhande, Director : Member (w.e.f. 16.10.2014)
3. Shri P N Prasad, Managing Director : Member
4. Shri O P Tailor, Director (Finance) : Member

A Committee on Sustainability & CSR, headed by a Non-official (Independent) Director has also been duly constituted as per requirement of the DPE Guidelines & the Companies Act, 2013 and comprised of the following members as on 31st March, 2015:

1. Shri Gautam Barua : Chairman
2. Shri P Padmanabhan : Member
3. Shri P N Prasad : Member

The terms of reference of the Committee are in line with the scope prescribed under the Companies Act, 2013 and DPE/Government Guidelines.



BRAHMAPUTRA CRACKER AND POLYMER LIMITED

A Committee on Health, Safety and Environment is also in place to oversee the HSE performance of the Company and comprised of the following members as on 31st March, 2015:

1. Shri Gautam Barua : Chairman
2. Shri S Rath : Member
3. Shri P N Prasad : Member

Remuneration to Directors

Being a Central Public Sector Enterprise, the appointment of the Whole-Time Directors and the terms & conditions thereof including remuneration are determined by the administrative ministry, the Ministry of Chemicals & Fertilizers.

The details of remuneration paid to the Whole-time Directors of the Company during the financial year 2014-15 are as below:

Name	Salary & Allowances (₹)	Contribution to PF, Gratuity and Other Funds (₹)	Other Benefits and Perquisites (₹)	Performance Linked Incentives (₹)	Total (₹)
Shri P N Prasad (Managing Director)	29,88,309	2,46,801	6,35,086	-	38,70,196
Director (Finance)	20,75,701	1,86,885	5,26,667	-	27,89,253

The Part-time Non-official Directors are not being paid any remuneration other than sitting fee, which amounted to ₹ 2,80,000/- to Shri P C Sharma and ₹ 2,40,000/- to Shri Gautam Barua during the year. The Nominee Directors do not receive any pecuniary benefits including sitting fee from the Company.

General Meetings

The details of the last three Annual General Meetings are as follows:

No. of the AGM	Date	Time	Venue	Any Special Resolution Passed
5 th	27.08.2012	12.00 noon	Hotel Brahmaputra Ashok, M.G. Road, Guwahati	Yes (Authorisation for further issue of shares pursuant to Section 81)
6 th	29.08.2013	3.00 p.m.	Hotel Brahmaputra Ashok, M.G. Road, Guwahati	Yes (Authorisation for further issue of shares pursuant to Section 81)



7 th	02.09.2014	3:00 p.m.	Hotel Brahmputra Ashok, M.G. Road, Guwahati	<p style="text-align: center;">Yes</p> <p>i) Increase in borrowing powers of the Board pursuant to section 180(1)(c).</p> <p>ii) Execution of Marketing Agreement with GAIL pursuant to section 188.</p> <p>iii) Authorisation for further issue of shares pursuant to Section 62.</p> <p>iv) Appointment and remuneration of Shri P N Prasad, Managing Director pursuant to sections 196,197,198 and Schedule V.</p> <p>v) Appointment and remuneration of Shri O P Tailor, Director (Finance) pursuant to sections 196,197, 198 and Schedule V.</p>
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8th Annual General Meeting

Date : Wednesday, 9th September, 2015

Time : 3.00 p.m.

Venue : Registered Office, Hotel Brahmputra Ashok, MG Road, Guwahati - 1

Disclosures

- (i) The related party transactions are disclosed in the notes to accounts forming part of the annual report and also in the extract of the annual return appended to the Board's Report.
- (ii) The Company has complied with the requirements of the DPE Guidelines on Corporate Governance, save and except the composition of the Board with respect to number of Nominee Directors and Independent Directors. The Board has requested for a special dispensation from the Government of India regarding reduction in the number of Nominee Directors appointed as per JV Agreement, as the Company is still in the project implementation stage. Appointment of an Independent Director in place of Shri P C Sharma who completed his term on 15.12.2014, is in process with the Government of India.
- (iii) The Company has a Whistle Blower Mechanism as per which the Public Interest Disclosure and Protection of Informer (PIDPI) Resolution No 89 of Government of India is being followed.
- (iv) A mechanism for Risk Management is in place to identify and mitigate construction phase, financial, operational and other risks.
- (v) The Public Procurement Policy for Micro and Small Enterprises is being implemented in the Company.

Audit Qualifications

For the 8th successive year there is no audit qualification in the report of the Statutory Auditors on the accounts of the Company for the year ended 31st March 2015.



Means of Communication

The Company has a website www.bcplonline.co.in. There is a dedicated cell for information sharing with stakeholders through the use of information and communication technologies particularly through its website. The Company periodically disseminates information through press releases and its annual reports.

Shareholding Pattern

The shares are held by the promoters in the proportion:

GAIL : 67.56%, Government of Assam : 10.81%, Oil India Limited : 10.81% and Numaligarh Refinery Limited : 10.81%.

Corporate Governance Compliance Certificate

A certificate from a Company Secretary in practice regarding compliance of conditions of corporate governance during 2014-15, as per clause 8.2.1 of the DPE Guidelines is annexed.

Secretarial Audit Report

The Company has carried out the Secretarial Audit for the year under review and the report along with the explanation to the observations therein is annexed.

Code of Conduct

The Company has a Code of Conduct for the Board members and the senior management personnel and all the members of the Board and the senior management personnel have affirmed compliance of the Code of Conduct for the financial year ended on 31st March, 2015.

DECLARATION

As required by clause 3.4.2 of the DPE Guidelines on Corporate Governance, it is hereby declared that the members of the Board of Directors as well as senior management personnel of the Company to whom the Code of Conduct is applicable have affirmed compliance with the code.

Sd/-
(P N Prasad)
Managing Director
Brahmaputra Cracker and Polymer Ltd.



EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS		
(i)	CIN	U11101AS2007GOI008290
(ii)	Registration Date	08.01.2007
(iii)	Name of the Company	Brahmaputra Cracker and Polymer Limited
(iv)	Category / Sub-Category of the Company	Government Company
(v)	Address of the registered office and contact details	Hotel Brahmputra Ashok, M G Road, Guwahati-781001, Ph- 0361-2736910, Fax: 0361-2733556
(vi)	Whether listed Company Yes / No	No
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY: *Production not yet started.*

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the Company
1	-	-	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	GAIL (India) Limited	L40200DL1984-GOI018976	Holding Company	67.56%	2(87) read with 2(46) of the Companies Act, 2013



IV. SHARE HOLDING PATTERN (Equity Share Capital breakup as percentage of total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual /HUF	-	60	60	Negligible	-	60	60	Negligible	
b) Central Govt									
c) State Govt(s)	-	113287149	113287149	10%	-	126900000	126900000	10.81%	0.81%
d) Bodies Corp.	-	1019584351	1019584351	90%	-	1046810053	1046810053	89.18%	-0.82%
e) Banks / FI									
f) Any Other...									
Sub-total (A) (1):-		1132871560	1132871560	100%		1173710113	1173710113	100%	
(2) Foreign									
a) NRIs - Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other...									
Sub-total (A) (2):-									
Total shareholding of Promoter (A) = (A) (1) + (A) (2)		1132871560	1132871560			1173710113	1173710113	100%	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIIs									
h) Foreign Venture Capital Funds									
Sub-total (B) (1) :-									
Sub-total (B) (2) :-									
Total shareholding of Promoter (A) = (A) (1) + (A) (2)		1132871560	1132871560			1173710113	1173710113	100%	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIIs									
h) Foreign Venture Capital Funds									
Sub-total (B) (1) :-									
Sub-total (B) (2) :-									
Total shareholding of Promoter (A) = (A) (1) + (A) (2)		1132871560	1132871560			1173710113	1173710113	100%	



i) Others (specify)									
Sub-total (B)(1):-									
2. Non-Institutions	NIL								
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ` 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of ` 1 lakh									
c) Others (specify)									
Sub-total (B)(2):-									
Total Public Shareholding (B) = (B)(1) + (B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A + B + C)									

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year				Shareholding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1	GAIL(India) Limited	793010083	70%	-	67.56%	793010083	67.56%	-	-(2.44%)
2	Oil India Limited	113287159	10%	-	10.81%	126900010	10.81%	-	+ 0.81%
3	Numaligarh Refinery Limited	113287159	10%	-	10.81%	126900010	10.81%	-	+0.81%
4	Government of Assam	113287159	10%	-	10.81%	126900010	10.81%	-	+0.81%
	Total	1132871560	100%		100%	1173710113	100%		



(iii) *Change in Promoters' Shareholding (please specify, if there is no change)*

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total Shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	1132871560	100%	1132871560	100%
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Increase of shareholding by allotment of 40838553 equity shares on 22.05.2014	3.6%	40838553	3.6%
At the End of the year	1173710113	100%	1173710113	100%

(iv) *Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Nil*

For each of the top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Share holding during the year	
	No. of shares	% of total Shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year				
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
At the End of the year (or on the date of separation, if separated during the year)				

(v) *Shareholding of Directors and Key Managerial Personnel:*

For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Share holding during the year	
	No. of shares	% of total Shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	60	Negligible	60	Negligible
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
At the End of the year	60		60	Negligible



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1280.45			1280.45
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	1280.45	-	-	1280.45
Change in Indebtedness during the financial year				
• Addition	987.58		-	987.58
• Reduction	40.88		-	40.88
Indebtedness at the end of the financial year				
i) Principal Amount	2226.75	-	-	2226.75
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total(i + ii + iii)	2226.75			2226.75

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (₹)
		Managing Director Shri P N Prasad	Whole Time Director Director(Finance) Shri O P Tailor	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	32,35,110	22,62,586	54,97,696
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	6,35,086	5,26,667	11,61,753
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0	0	
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify			
	Total (A)			66,59,449
	Ceiling as per the Act			1.37 crore



B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of the Director		Total Amount (`)
1. Independent Directors				
		Gautam Barua	P C Sharma	
	• Fee for attending Board / Committee meetings	2,40,000	2,80,000	5,20,000
	• Commission	-	-	
	• Others, please specify	-	-	
	Total (1)	2,40,000	2,80,000	5,20,000
2. Other Non-Executive Directors				
	• Fee for attending board / committee meetings	-	-	-
	• Commission	-	-	-
	• Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B) = (1 + 2)			5,20,000
	Total Managerial Remuneration			71,79,449
	Overall Ceiling as per the Act			` 1.37 crore

C. Remuneration to KMP:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO (there is no CEO separately designated)	Company Secretary	CFO (Director Finance)	TOTAL in `
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	13,57,488	22,62,586	36,20,074
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		2,01,536	5,26,667	7,28,203
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-	-
2.	Stock Option		-	-	-
3.	Sweat Equity		-	-	-
4.	Commission - as % of profit - others, specify...		-	-	-
5.	Others, please specify				
	Total		15,59,024	27,89,253	43,48,277



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. Company					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					





Form No. AOC-2

(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014*)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1	Details of contracts or arrangements or transactions not at arm's length basis	
a.	Name(s) of the related party and nature of relationship	GAIL (India) Ltd.
b.	Nature of contracts/arrangements/ transactions	Marketing Agreement
c.	Duration of the contracts / arrangements/ transactions	Agreement will have 10 years term and to be extended further for next 10 years on mutually agreed terms.
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	<ul style="list-style-type: none"> ➤ BCPL agrees to market & liquidate through GAIL's Marketing arrangement all its Petrochemical products & by products on an annual commitment basis, which will be further planned on half - yearly, quarterly & monthly basis with daily dispatches. ➤ During the last week of the previous month, BCPL and GAIL shall mutually discuss the production and sales plan for the subsequent month. ➤ GAIL shall liquidate the Petrochemical products & by products of BCPL to its customers in the domestic market as per the Sales Policy of BCPL products. ➤ GAIL will be responsible for the evacuation of 100 % BCPL products and by products and BCPL shall pay 2.4% of net sales realization value to GAIL as Marketing Commission. ➤ All the post sales discount and CS commission will be paid by BCPL directly to Customers / Consignment Stockist (CS) at actuals. ➤ BCPL shall finalize their own transportation contract for the transportation of the material from plant site to the requisite customer/ CS locations. GAIL will assist BCPL in finalisation of transportation contract. ➤ For liquid hydrocarbon products & by products, the transportation shall be arranged by the customer including GAIL as customer for its internal consumption. For institutional customers transportation to be arranged by BCPL if required. ➤ GAIL's Sales Policy, Pricing Policy and Customer Complaint Handling Policy to form basis for BCPL's Sales Policy, Pricing Policy and Customer Complaint Handling Policy. ➤ The pricing of BCPL products & pre-excite & post sales discounts shall be proposed by Pricing Committee of GAIL for BCPL products, based on the market dynamics. The basic pricing policy of GAIL will be utilized to suit the requirement of BCPL pricing policy. One BCPL nominated executive will represent in the Pricing Committee for BCPL products. BCPL Pricing member will be stationed along with GAIL's marketing group. Prices and discounts put-up by the Committee shall be approved by Competent Authority at GAIL.
1	Justification for entering into such contracts or arrangements or transactions	In compliance with the Joint Venture agreement signed between the GAIL, OIL, NRL & Government of Assam.
2	Date (s) of approval by the Board	22.05.2014
3	Amount paid as advances, if any:	N/A



4	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	02.09.2014
2	Details of material contracts or arrangement or transactions at arm's length basis	
a.	Name(s) of the related party and nature of relationship	(i) GAIL (India) Ltd
b.	Nature of contracts/arrangements/ transactions	Procurement of Polyethylene powder (HDPE Powder B52A003) from GAIL , PATA
c.	Duration of the contracts / arrangements/ transactions	One time requirement for start-up and commissioning / flushing of the Reactor and Extruder of LLDPE/HDPE unit.
d.	Salient terms of the contracts or arrangements or transactions including the value, if any:	<ul style="list-style-type: none"> The total requirement of PE Powder for Extruder of LLDPE/ HDPE unit worked out to be 1000 MTs. Total financial implication for supply of 1000MT of polymer powder from GAIL, Pata up to BCPL Lepetkata worked out to be Rs. 10,94,65,410.00 (Ten Crores Ninety Four Lacs Sixty Five thousands Four hundred and Ten only.). However, the actual rate of polymer powder & transportation charges at the time of Invoice shall be applicable. Moreover, taxes & duties shall be as per actual on the date of invoicing. Delivery will be made directly to BCPL Plant site from plant through GAIL's authorized transporter. Freight (inclusive of service tax) will be charged as per actuals on the date of invoicing. Standard transportation time for an NE state is 7 days.
e.	Date(s) of approval by the Board, if any:	N/A
f.	Amount paid as advances, if any:	N/A

Sd/-
(B C Tripathi)
CHIARMAN



Annual Report on CSR activities during FY 2014-15

Sl. No	Particulars	Details					
1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	BCPL has a Policy for Corporate Social Responsibility with Environment Protection, Drinking Water and Sanitation, Health Care/ Medical, Education and Literacy Enhancement and Community Development and Infrastructure as the thrust areas and the web-link is http://www.bcplonline.co.in/content.php?pageNo=3&pageId=15&SubpageNo=1 At this Project Phase, BCPL is spending on CSR activities to the tune of ` 1 Crore each year. Further, a detailed policy is going to be put up for approval of the Board shortly.					
2.	The Composition of the CSR Committee	1. Shri Gautma Barua, Independent Director – Chairman 2. Shri P N Prasad, Managing Director - Member 3. Shri P Padmanabhan, Director - Member					
3.	Average Net Profit of the Company for the last three financial years	Not Applicable (Company is yet to start operations)					
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Not Applicable (Company is yet to start operations)					
5.	Details of CSR spent during the financial year.						
	(a) Total amount to be spent for the financial year;	` 90,07,190/-					
	(b) Amount unspent, if any	-					
	(c) Manner in which the amount spent during the financial year is detailed below						
1	2	3	4	5	6	7	8
Sl. No.	CSR Project or Activity identified.	Sector in which the Project is covered	Projects or programs 1) Local area or 2) Specify the State and the district where projects or programs was undertaken	Amount outlay (budget) Project or programs wise	Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs- 2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency



1.	Construction of Binoygutia to Dewanbari road in PWD Moran rural road sub division under PWD Dibrugarh rural division (E/W collection supply and spreading of river gravel from CH 0.00 M TO CH 1500.00 M)	Community Development and Infrastructure	Dibrugarh District	10,23,000/-	Direct Expenditure	10,23,000/-	DC, Dibrugarh
2.	Establishment of reverse osmosis water treatment plant at chiring gaon pipe water supply scheme under Chiring Dainijan Gaon Panchayat	Drinking Water and Sanitation	Dibrugarh District	7,30,288/-	Direct Expenditure	17,53,288/-	DC, Dibrugarh
3.	Development of drainage system in the Barbaruah area	Drinking Water and Sanitation	Dibrugarh District	24,77,000/-	Direct Expenditure	42,30,288/-	DC, Dibrugarh.
4.	Installation of Street lights on highway covering Barbaruah town.	Community Development and Infrastructure	Dibrugarh District	5,15,902/-	Direct Expenditure	47,46,190/-	DC, Dibrugarh.
5.	Construction of a community hall at Lalmati Gaon, Dibrugarh.	Community Development and Infrastructure	Dibrugarh District	15,00,000/-	Direct Expenditure	62,46,190/-	DC, Dibrugarh.
6	Construction of Girls' Toilet in four Govt. schools in the vicinity of BCPL project	Drinking Water and Sanitation	Dibrugarh District	10,00,000/-	Direct Expenditure	72,47,190/-	Directly by BCPL
7	Vocational and skill development project for 100 rural women in nearby areas.	Education and Literacy enhancement	Dibrugarh District	17,61,000/-	Direct Expenditure	90,07,190/-	Aurobindo Chaudhuri Memorial Great Indian Dream Foundation.
6	In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.						
7.	The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company						
				Not applicable (Company is yet to start operations)			
				Sd/- (P N Prasad) Managing Director		Sd/- (Gautam Barua) Chairman of the Committee of the Board on Sustainability & CSR	



FORM NO. MR-3
Secretarial Audit Report

For the Financial Year Ended 31st March 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014)]

BIMAN DEBNATH & ASSOCIATES

Company Secretaries

CS BIMAN DEBNATH

FCS, LLB, B.Com, DTL
House No. 3, 2nd Floor, Sarvodaya Path, ABC,
Opp. Rajiv Bhawan, G.S. Road
Guwahati-781005, Assam
Tele -91-361-2463370, (m) 91-9864028145
Email : csbiman@gmail.com,
csbimandebnath@gmail.com

To,
The Members,
Brahmaputra Cracker & Polymer Limited
Hotel Brahma Putra Ashok
M.G. Road, Guwahati, Assam

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Brahma Putra Cracker & Polymer Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by M/s Brahma Putra Cracker & Polymer Limited and also the information provided by the Company, its officers during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2015 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Brahma Putra Cracker & Polymer Limited ("the Company") for the financial year ended 31st March 2015 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Memorandum and Articles of Association of the Company.
- (iii) Other Acts:
 - a. The Petroleum Act 1934
 - b. Petroleum and Minerals Pipelines (Acquisition of Rights of User Inland) Act 1962



- c. Explosives Acts
- d. The Oil Industry (Development) Act 1974
- e. The Mines Act 1952
- f. Mines and Minerals (Regulations and Development) Act 1957

Acts which are not applicable to the Company though part of the Prescribed Secretarial Audit Report have not been considered while preparing this Secretarial Audit.

As intimated and confirmed by the Company, its Officers since the Company is yet to start its commercial activity and is in the Construction stage many of the provisions of the Acts are not applicable at this stage.

Further,

I have also examined compliance with the applicable clauses of the following:

- (i) Guidelines from the Ministry of Chemicals and Fertilisers.
- (ii) Order, Instructions, Guidelines of the Dept of Public Enterprises, Govt of India, and Government of Assam.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

The Company has not complied with the provisions of Section 149 of the Companies Act, read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules 2014 with relation to the appointment of Woman Director during the financial year under review.

I/we further report that

The Board of Directors of the Company is *not properly constituted as the Company has only one Independent Director and the Company represented that being a CPSE, appointment of Independent Directors is made by the Government of India and the Company has written to the Government of India for appointment of Independent Directors.* The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Name of Company Secretary in practice:

Sd/-

Biman Debnath

FCS No. 6717

C.P. No. 5857

Place: Guwahati

Date: 20-05-2015



Explanation of the Board to the Qualifications in the Secretarial Audit Report 2014-15

Qualification of Statutory Auditor	Explanation of the Board
The Company has not complied with the provisions of Section 149 of the Companies Act read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules 2014 with relation to the appointment of Woman Director during the financial year under review.	The Company has requested the administrative ministry for appointment of a Woman Director in the existing vacancy of Independent Director. The matter is in process with the Government.
The Board of Directors of the Company is not properly constituted as the Company has only one Independent Director and the Company represented that being a CPSE, appointment of Independent Directors is made by the Government of India and the Company has written to the Government of India for appointment of Independent Directors.	The appointment of Independent Director by the Government of India is awaited.



Polypropylene Unit



Report on Compliance of Corporate Governance

BIMAN DEBNATH & ASSOCIATESCS
Company Secretaries

CS BIMAN DEBNATH

FCS, LLB, B.Com, DTL
House No. 3, 2nd Floor, Sarvodaya Path, ABC,
Opp. Rajiv Bhawan, G.S. Road
Guwahati-781005, Assam
Tele -91-361-2463370, (m) 91-9864028145
Email : csbiman@gmail.com,
csbimandebnath@gmail.com

To,
The Members,
Brahmaputra Cracker & Polymer Limited
Hotel Brahma Putra Ashok
M.G. Road, Guwahati, Assam

We have examined the compliance of conditions of Corporate Governance by Brahma Putra Cracker and Polymer Limited (a Non-Listed PSU) for the year ended 31st March, 2015 as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises (DPE), Government of India, in May, 2010.

The compliance of Conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the Conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the requirements of Corporate Governance as stipulated in the Guidelines except:

- a. Clause 3.1.3, relating to the number of Nominee Directors appointed by Government/ other CPSEs.
- b. Clause 3.1.4, relating to the number of Independent Director on the Board of the Company.
- c. Clause 4.1.1, relating to the composition of Audit Committee which states that two-thirds of the members of the Audit Committee shall be Independent Directors.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

*For Biman Debnath & Associates
Company Secretaries*

**Sd/
(Biman Debnath)
Proprietor
C.P. No. 5857
FCS No. 6717**

Place: Guwahati
Date: 20-05-2015



Independent Auditors' Report

Das & Sharma
Chartered Accountants



Binoy Kumar Das, FCA, DISA
Devajit Sharma, FCA, DISA

To,
The Members,
Brahmaputra Cracker & Polymer Limited,
Lepetkatta. Dibrugarh. Assam

Report on the Financial Statements

We have audited the accompanying financial statements of Brahma Putra Cracker & Polymer Limited, which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for matters stated in section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Account) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and

other irregularities; selection and application of appropriate accounting policies; making Judgements that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, and accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified in section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform



the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place all adequate Internal Financial Controls System over financial reporting and the operating effectiveness of these controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

Emphasis of Matter:

1. We draw attention to para 17 of Note 18 (Additional Information to the financial statements) regarding the status of Claims made against the Company, and that no claims has been acknowledged there against. Our opinion is not qualified in respect of this matter.
2. We draw attention to para 19 of note 18 (Additional Information to the financial statements) to the financial statements relating to balance confirmations being sought from vendors, contractors and other authorities where balances were booked under loans and advances, debtors and creditors. Only four confirmation out of those requested by the management have been received by us. Our opinion is not qualified in respect of this matter .
3. We draw attention to note 1(b) (iii) to the Financial statements indicating the amount of unpaid calls . The amounts unpaid are in respect of a joint venture agreements among the promoters i.e. GAIL, OIL, NRL, GOA. Our opinion is not qualified in respect of this matter.
4. We draw attention to para 3(e) of Note No 19 on significant accounting policies, and para 3 to Note 18 (Additional Information to the financial statements) to the financial statement indicating the change in accounting policy relating to depreciation and the impact of such change. Our opinion is not qualified in respect of this matter

Other Matter:

- a) The process of obtaining land ownership documents for 131 Bighas of land from the Government of Assam is still under



way pending necessary approvals from Government Authorities. Possession has been obtained. This aspect had been referred to in our report for the year ended 31st March, 2014 as well. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 5 of the Order, we give, in Annexure I, a statement on the matters referred to in Paras 3 and 4 of the said order.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the aforesaid financial statements comply with the Accounting

Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) The provisions of clause (g) of sub section 2 of section 164 of the Act relating to declarations from Directors have been complied with and appropriate declarations have been obtained.
- f) The matters to be reported on as per the directions of the Comptroller and Auditor General of India have been so reported on in Annexure II
- g) With respect to the other matters required to be included in the Auditor's Report in accordance with Rule 1 I of the Companies (Audit and Auditor's) Rules, 2014, in our opinion, and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial Statements –Refer Para 17 of Note 18 (Additional Information to the Financial Statements).
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

Place : Guwahati
Date : 30st May, 2015

For **DAS & SHARMA**
Chartered Accountants
FRN : 314214E
Sd/-
Devajit Sharma
Partner
M No. 052268



Annexure I referred to in paragraph I of the Our Report of even date to the members of Brahma Putra Cracker & Polymer Limited on the accounts of the Company for the year ended 31st March, 2015.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management during the year, no material discrepancies were noticed on such verification has been provided to us.
2. Physical verification of finished goods, stores, raw materials does not arise as the Company is not, at present maintaining inventory. Stocks of construction materials are, in the main, under the custody of Engineers India Limited. However, records of spares have been maintained by the relevant C & P Department which have been duly verified

Procedures for such verification were adequate, and no material discrepancies were noticed. Proper records were being maintained for such spares.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), iii(b) are not applicable to the Company.
4. In our opinion and according to the information and explanation given to us, there is generally an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of inventories & fixed assets and payment of expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weakness in the internal controls has been noticed.
5. The Company has not accepted any deposits.
6. Maintenance of cost records u/s 148(1) of the Companies Act, 2013, is not applicable at present as the Company has not commenced operations, nor- have such records being prescribed under the Act.
7. a) The Company has been regular in deposit of undisputed statutory dues, including Provident Fund, VAT, service Tax, Customs Duty, Income- tax etc. with the relevant authorities. We have been informed that no undisputed amount was payable in respect of VAT, Service Tax, Customs Duty, Income- tax and other Statutory dues were outstanding at the year end for a period of more than six months from the date they became payable.

b) No disputed tax demands were also outstanding



BRAHMAPUTRA CRACKER AND POLYMER LIMITED

- c) No amounts were required to be transferred to the Investor Education and Protection Fund.
8. The accumulated losses of the Company at the end of the financial year are less than 50% percent of the Net Worth of the Company, and represent losses in Foreign Exchange transaction recognised in term of AS 11, even though commercial operations have yet to commence.
9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
10. According to the information and explanations given to us, and the financial statements examined by us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
11. The Company had utilized the Term Loans obtained and the loan was applied for the purpose for which it was taken.
12. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the Management.

Place : Guwahati
Date : 30st May, 2015

For **DAS & SHARMA**
Chartered Accountants
FRN : 314214E

Sd/-
Devajit Sharma
Partner
M No. 052268



Annexure II referred to in paragraph 2(f) of the Our Report of even date to the members of Brahma Putra Cracker & Polymer Limited on the accounts of the Company for the year ended 31st March, 2015.

1. The Company has not been selected for disinvestment
2. There have been no cases of waiver or writeoff of debts, loans, interest or other like amounts.
3. Proper records have been maintained for inventories lying with contractors or other third parties.
4. Details of pending litigation etc are as under: Ageing of Legal cases:

Year	No of cases
2011	1
2012	4
2013	2
2014	8
TOTAL.	15

Monitoring Mechanism:

In our opinion, there exists a proper mechanism for monitoring expenditure on these pending legal cases. Legal Consultants are chosen from a panel maintained by GAIL. (India) Ltd, the Holding Company of BCPL. The cost incurred is approved by the management as per the Delegation of Power.

Place : Guwahati
Date : 30st May, 2015

For **DAS & SHARMA**
Chartered Accountants
FRN : 314214E
Sd/-
Devajit Sharma
Partner
M No. 052268



Balance Sheet

as at 31st March, 2015

` in '000

Particulars		Note No.	As at 31 st March, 2015	As at 31 st March, 2014
A	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	(a) Share capital	1	11,737,101	11,328,716
	(b) Reserves and surplus	2	46,872,944	46,889,159
2	Share Application Money Pending Allotment	3	-	408,387
3	Non-Current Liabilities			
	(a) Long-term borrowings	4	21,233,785	12,391,735
	(b) Deferred tax liabilities (net)		-	-
	(c) Other long-term liabilities	5	-	-
	(d) Long-term provisions	6	18,963	10,405
4	Current Liabilities			
	(a) Short-term borrowings		-	-
	(b) Trade payables		-	-
	(c) Other current liabilities	7	4,379,812	3,878,518
	(d) Short-term provisions	8	3,132,865	2,909,444
	TOTAL		87,375,470	77,816,364
B	ASSETS			
1	Non-Current Assets			
	(a) Fixed assets			
	(i) Tangible assets	9	2,686,606	2,338,303
	(ii) Intangible assets	9	85,379	77,151
	(iii) Capital work-in-progress	10	56,698,857	55,900,478
	(vi) Fixed assets held for sale		-	-



in '000

Particulars		Note No.	As at 31 st March, 2015	As at 31 st March, 2014
	(b) Non-current investments		-	-
	(c) Deferred tax assets (net)		-	-
	(d) Long-term loans and advances	11	24,887,267	16,718,355
	(e) Other non-current assets	12	67,407	42,591
2	Current Assets			
	(a) Current investments		-	-
	(b) Inventories		-	-
	(c) Trade receivables	13	-	-
	(d) Cash and cash equivalents	14	1,102,019	588,504
	(e) Short-term loans and advances	15	276,121	406,771
	(f) Other current assets	16	1,571,814	1,744,211
	TOTAL		87,375,470	77,816,364
C	Additional information	18		
D	Significant Accounting Policies	19		

Sd/-
(P.N.Prasad)
Managing Director

Sd/-
(O.P.Tailor)
Director Finance and CFO

Sd/-
(Ruli Das Sen)
Company Secretary

As per our separate report on Even Date

For Das & Sharma
Chartered Accountants,
Firm No. 314214E

Sd/-
(Devajit Sharma)
Partner
Mem. No.052268

Place : New Delhi
Date : 29.05.2015



Profit and Loss Statement
for the year ended 31st March, 2015

in '000

Particulars	Note No.	For the Year ended 31 st March, 2015	For the Year ended 31 st March, 2014
I. Revenue From Operations		-	-
In respect of a Company other than a finance Company:			
Sale of products			
Sale of services			
Other operating revenues			
Less:			
Excise duty			
II. Other income	17	-	8794
III. Total Revenue (I + II)		-	8794
IV. Expenses:			
Cost of materials consumed		-	-
Internally manufactured intermediates or components consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employees benefits expense		-	-
Finance costs		-	-
Depreciation and amortization expense		-	-
Other expenses	17 A	16,215	-
Total expenses		16,215	-
V. Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		(16,215)	8794
VI. Exceptional items		-	-
VII. Profit/(Loss) before extraordinary items and tax (V - VI)		(16,215)	8794
VIII. Extraordinary Items		-	-
IX. Profit/(Loss) before tax (VII- VIII)		(16,215)	8794
X Tax expense:		-	-
(1) Current tax			
(2) Deferred tax			
XI Profit (Loss) for the period from continuing operations (VII-VIII)		(16,215)	8794
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		(16,215)	8794
XVI Earnings per equity share:			
(1) Basic		NA	NA
(2) Diluted		NA	NA

Sd/-
(P.N.Prasad)
Managing Director

Sd/-
(O.P.Tailor)
Director Finance and CFO

Sd/-
(Ruli Das Sen)
Company Secretary

As per our separate report on Even Date
For Das & Sharma
Chartered Accountants,
Firm No. 314214E

Place : New Delhi
Date : 29.05.2015

Sd/-
(Devajit Sharma)
Partner
Mem. No.052268



Notes forming part of the Balance Sheet

Note:1: Share capital

Particulars	As at 31 st March, 2015		As at 31 st March, 2014	
	Number of shares	₹ in '000	Number of shares	₹ in '000
(a) Authorised Equity Shares of ₹ 10/- each	2,000,000,000	20,000,000	2,000,000,000	20,000,000
(b) Issued Equity Shares of ₹ 10/- each	1,269,000,070	12,690,001	1,269,000,070	12,690,001
(c) Subscribed and fully paid up Equity Shares of ₹ 10/- each	1,173,710,113	11,737,101	1,132,871,560	11,328,716
(d) Subscribed but not fully paid up Equity Shares of ₹ 10/- each	-	-	-	-
Total	1,173,710,113	11,737,101	1,132,871,560	11,328,716

Note :1 (a): Share Capital Reconciliation

Particulars								
Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:								
Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes	Closing Balance
Equity Shares								
Year ended 31 st March, 2015								
- Number of shares	1,132,871,560	40,838,553	-	-	-	-	-	1,173,710,113
- Amount ₹ in '000	11,328,716	408,385	-	-	-	-	-	11,737,101
Year ended 31 st March, 2014								
- Number of shares	1,057,950,260	74,921,300	-	-	-	-	-	1,132,871,560
- Amount ₹ in '000	10,579,503	749,213	-	-	-	-	-	11,328,716



Note :1 (b): Share capital other details

Particulars
(i) Details of shares held by each shareholder holding more than 5% shares (Disclosures pursuant to note no.6A(g) of part I of Schedule III to the Companies Act 2013).

Class of shares / Name of shareholder	As at 31 st March, 2015		As at 31 st March, 2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares :				
Gail (India) Limited	793,010,083	67.57	793,010,083	70
Oil India Limited	126,900,010	10.81	113,287,159	10
Numaligarh Refinery Limited	126,900,010	10.81	113,287,159	10
Govt. of Assam	126,900,010	10.81	113,287,159	10

Note: No. of shares as at 31.03.2015 includes 60 nos. of shares issued to Directors & others (GAIL-30 nos. OIL-10 nos. NRL-10 nos. GoA-10 nos.)

(ii) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date (Disclosures pursuant to note no.6A(i) of part I of Schedule III to the Companies Act 2013).

Particulars	Aggregate number of shares	
	As at 31 st March, 2015	As at 31 st March, 2014
Equity shares with voting rights		
Fully paid up pursuant to contract(s) without payment being received in cash	66,155,019	66,155,019
Fully paid up by way of bonus shares	-	-
Shares bought back	-	-
Equity shares with differential voting rights		
Fully paid up pursuant to contract(s) without payment being received in cash	-	-
Fully paid up by way of bonus shares	-	-
Shares bought back	-	-

(iii) Details of calls unpaid (Disclosures pursuant to note no.6A(k) of part I of Schedule VI to the Companies Act 1956).

Particulars	As at 31 st March, 2015		As at 31 st March, 2014	
	Number of shares	in '000	Number of shares	in '000
Equity shares with voting rights				
Aggregate of calls unpaid				
- by directors	-	-	-	-
- by officers	-	-	-	-
- by others	95,289,957	952,900	95,289,957	952,900

(iv) Details of forfeited shares (Disclosures pursuant to note no.6A(l) of part I of Schedule III to the Companies Act 2013): Nil



Note:2: Reserves and surplus

₹ in '000

Particulars	As at 31 st March, 2015	As at 31 st March, 2014
(a) Capital reserve		
Opening balance	47,089,502	37,137,009
Add: Fund received during the year	-	9,769,600
Interest earned on STDR's (Net of Taxes)	-	182,893
(a)	47,089,502	47,089,502
(b) Surplus		
Opening Balance of Profit & Loss Statement - Profit/(Loss)	(200,343)	(209,137)
Current year Balance - Profit/(Loss)	(16,215)	8,794
(b)	(216,558)	(200,343)
Total (a+b)	46,872,944	46,889,159

Note: Capital Reserve represents the Capital subsidy received from Govt. of India. It also includes interest on STDR's made out of this fund as per the letter no.45013/1/2005-PC-1(PRT) dt:15.02.2012 received from MOCF, New Delhi.

Disclosures under Accounting Standard 12

₹ in '000

Particulars	As at 31 st March, 2015	As at 31 st March, 2014
Details of government grants:		
Government grants received by the Company during the year towards		
- Subsidies (recognised under Capital Reserves)	-	9,769,600
- Interest (Net of Taxes) on parking of Capital subsidy added back	-	182,893
Total	-	9,952,493

1. During the year no Capital Subsidy (Previous Year ₹ 9,769,600,000/-) has been received from the Government of India by way of contribution towards the capital outlay. As per AS-12 (Para 16), Government Grants by way of contribution towards capital should be credited to Capital Reserves as per condition attached to such grants.
2. The Company has received a directive from its administrative ministry MoCF vide letter no 45013/1/2005-PC-I(Part) dated 15.02.2012 that the interest earned on capital subsidy is not the income of BCPL and the same shall be added back to capital subsidy. During the year interest income is Nil (Previous year ₹ 182,893,156/- net of taxes) earned by investing capital subsidy.



Note:3: Share Application money pending allotment

in '000

JV Partner	Equity Call Issued	Money Received	Shares Allotted	As at 31 st March, 2015	As at 31 st March, 2014
Oil India Limited	1,269,000	1,269,000	1,269,000	-	136,129
Numaligarh Refinery Limited	1,269,000	1,269,000	1,269,000	-	136,129
Govt Of Assam	1,269,000	1,269,000	1,269,000	-	136,129
GAIL (India) Limited	8,883,000	7,930,100	7,930,100	-	-
Directors & others	1	1	1	-	-
Total	12,690,001	11,737,101	11,737,101	-	408,387

Share application money not exceeding the issued capital and to the extent not refundable is to be disclosed under this line item (Disclosure pursuant to Note no. 6G of Part I of Schedule III to the Companies Act 2013).

Terms and conditions for shares to be issued :- As per J V Agreement between the promoters and CCEA approval.

Number of shares proposed to be issued :- All to the extent when the ratio as per JV agreement is met.

The amount of premium, if any :- Nil

The period before which shares are to be allotted :- As and when the proportion of equity contribution in the ratio of 70:10:10:10 is met by the promoters, viz., GAIL, GoA, OIL & NRL, in terms of the J V Agreement.

Whether the Company has sufficient authorised share capital to cover the share capital amount on allotment of shares out of share application money : Yes

The period for which the share application money has been pending beyond the period for allotment as mentioned in the share application form along with the reasons for such share application money being pending. :- Not applicable.

Shares are allotted as and when the proportion of equity contribution in the ratio of 70:10:10:10 is met by the promoters, viz., GAIL, GoA, OIL & NRL, in terms of the JV Agreement till 31st March,2013. Thereafter the allotments were made from application money irrespective of maintaining the ratio vide Board's approval in its 49th meeting held on 22nd May, 2014.



Note : 4: Long-term borrowings details

Disclosure pursuant to Note No. 6.C(i), ii, iii,iv,v and vi of part I of Schedule III to the Companies Act, 2013

₹ in '000

Particulars	As at 31 st March,2015	As at 31 st March, 2014
(A) Secured		
(a) Bonds/debentures	-	-
(b) Term loans		
(i) From Banks		
State Bank of India	10,410,035	1,538,535
Total (I)	10,410,035	1,538,535

(Secured by way of 1st charge on all fixed assets both movable and immovable, present and future including tangible and intangible ranking paripasu with all term lenders except to the extent of 131 bighas of Govt. land in possession of the Company but title deed yet to be transferred).

Terms of Repayment : Repayment of loan is envisaged in 96 monthly installments commencing after moratorium period of 2 years from SCOD.

Rate of interest : SBI Base rate plus 0.45 % i.e 10.45 % as on 31st March,2015.

(ii) Others : Oil Industries Development Board	9,357,500	8,761,950
Less: Current maturity transferred to current liabilities	721,250	408,750
(II)	8,636,250	8,353,200

(Secured by way of 1st charge on all fixed assets both movable and immovable, present and future ranking paripasu with all term lenders except to the extent of 131 bighas of Govt. land in possession of the Company but title deed yet to be transferred. Additionally, loan up to ₹ 577 cr out of total loan obtained from OIDB, has been secured by corporate gurantee of GAIL,OIL,NRL along with back to back gurantee by BCPL to GAIL for ₹ 250 Cr).

Terms of Repayment : Total period of loan is 10 years from the date of drawal which includes 2 years moratarium. The repayment shall be in 8 yearly equal installments. The first installment shall become due at the end of 3rd year from the date of drawal. Rate of interest on loan will depend on the month in which loan installment is drawn by BCPL.

Note : An amount of ₹ 721,250,000/- payable within next 12 months, has been transferred to "Other current liabilities" at Note no.7.

Oil India Limited	2,500,000	2,500,000
Less: Current maturity transferred to current liabilities	312,500	-
(III)	2,187,500	2,500,000

Note : An amount of ₹ 312,500,000/- payable within next 12 months, has been transferred to "Other current liabilities" at Note no.7.

(Secured by way of 1st charge on all fixed assets both movable and immovable, present and future including tangible and intangible ranking paripasu with all term lenders except to the extent of 131 bighas of Govt. land in possession of the Company but title deed yet to be transferred).

Terms of Repayment : Eight equal quarterly installments after one year of drawal and 2 years of moratarium. 1st installment is due on the last date of the immediate quarter after completion of 3 years from the date of loan agreement.

Rate of interest : Base rate of SBI plus 0.50 % to be reset every year i.e 10.50 % as on 31st March,2015.

(B) Unsecured:	-	-
In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (A) & (B)	-	-
Total(I+II+III)	21,233,785	12,391,735

**Note : 5 : Other long-term liabilities**

Disclosure pursuant to Note no.6.D of Part I of Schedule III to the Companies Act, 2013.

` in '000

Particulars	As at 31 st March,2015	As at 31 st March,2014
(a) Trade Payables	-	-
Acceptances		
Other than Acceptances		
(b) Others		
PRS Contractors	-	-
Retention Money Contractors		
Retention Money Others		
Total	-	-

Note : 6 : Long Term Provisions

Disclosure pursuant to Note no. 6E of Part I of Schedule III to the Companies Act, 2013.

` in '000

Particulars	As at 31 st March,2015	As at 31 st March,2014
(a) Provision for employee benefits		
Leave Encashment	18,963	10,405
Gratuity	-	-
(b) Others	-	-
Total	18,963	10,405

1. The Company has provided ` 8,875,212/- (Previous year ` 7,625,194 /-) in the accounts during the year for leave encashment benefit for regular employees existing as on closing date of financial year based on actuarial valuation. Out of total liability of ` 19,415,930/-, current obligation of ` 452,434/- (Previous year ` 135,327/-) has been disclosed under note no. 8 Short term provision as per actuarial valuation.
2. The Company has contributed ` 6,491,804/- (Previous year ` 14,232,453/-) to LIC under Group gratuity scheme of employees and as such, no separate provision towards gratuity liability has been provided. Based on the actuarial valuation and fund position with LIC, ` 7,649,988/- has been transferred to prepaid gratuity shown under Short term loans and advances at Note no.15.



Note :7: Other current liabilities

Disclosure pursuant to Note no.6.G of Part I of Schedule III to the Companies Act, 2013.

in '000

Particulars		As at 31 st March,2015		As at 31 st March,2014
(a) Current Maturities of Long -term debt				
Loan-OIDB		721,250		408,750
Loan-OIL		312,500		-
(b) Other payables				
Employees	2,965		2,586	
Tax (Vat , ST,TDS & WCT)	139,170		109,634	
Security Deposit	56,377		62,848	
Earnest Money Deposit	14,239		20,627	
Price Reduction Schedule	1,243,052		1,143,571	
Retention	663,550		658,983	
Credit Balance in Current Account	-		225,513	
Others	3,367	2,122,720	27,918	2,251,680
(c) Payables against capital works & supplies				
Suppliers (Indegenous)	105,271		68,940	
Suppliers & Consultant (Foreign)	172,307		158,223	
Contractors	944,267	1,221,845	989,528	1,216,691
(d) Money due for adjustment -Govt. Of Assam				
		1,497		1,397
Total		4,379,812		3,878,518

In view of the commissioning of the project scheduled by 30th June,2015, it is expected that all contracts closure will be achieved by the end of FY-2015-16. Therefore deductions such as security deposit, PRS and other retentions from the bills of contractors have been treated as current liabilities. Likewise the outstanding of contractors/suppliers etc. has been anticipated to be settled during FY-2015-16 and as such treated as other current liabilities.

Note :8: Short-term provisions

Disclosure pursuant to Note no.6.H of Part I of Schedule III to the Companies Act, 2013.

in '000

Particulars		As at 31 st March,2015		As at 31 st March,2014
(a) Provision for employee benefits:				
Provision for other employee benefits (Leave salary)		452		135
(b) Provision - Others:				
Provision for income Tax	267,843		245,485	
Provision for Liability (Contractors)	2,645,693		2,566,579	
Provision for custom duty	2,033		4,537	
Suppliers	106,746		39,586	
Others	110,098	3,132,413	53,122	2,909,309
Total		3,132,865		2,909,444



Note :9: Tangible & Intangible Assets

₹ in '000

Particulars	Gross Block at Cost			Depreciation				Net Block		
	As at 01.04.2014	Additions during the year	Sales/ Adjustments during the year	As at 31.03.2015	Accumulated depreciation as at 01.04.2014	Addition during the year	Sales/ Adjustments during the year	Total Accumulated depreciation as at 31.03.2015	As at 31.03.2014	As at 31.03.2015
Tangible Assets:(A)										
Land Lease Hold	818,733	74,919	-	893,652	150,651	32,067	-	182,718	668,081	710,934
Building - Other than factory building	1,409,454	324,599	54,975	1,679,078	43,200	22,310	144	65,366	1,366,254	1,613,712
Bunk House	688	-	-	688	275	217	-	492	413	196
F & F and Other Equipment	78,260	48,965	253	126,972	24,930	13,290	326	37,894	53,330	89,077
Electrical	298,131	19,776	(3,054)	320,960	60,229	41,253	-	101,482	237,902	219,479
EDP	22,969	23,685	-	46,654	11,392	11,404	-	22,796	11,577	23,857
Motor Cars/Jeeps	1,353	35,095	-	36,449	607	6,491	-	7,098	746	29,351
Total :(A)	2,629,588	527,039	52,174	3,104,453	291,285	127,032	470	417,847	2,338,303	2,686,606
Intangible Assets : (B)										
Software / Licenses	8,102	1,153	24	9,231	4,535	1,919	-	6,454	3,567	2,776
Right of Use (Perpetual)	75,626	10,130	-	85,756	2,568	1,024	-	3,592	73,057	82,164
Right of Use (Limited useful life)	878	-	-	878	351	88	-	439	527	439
Total :(B)	84,605	11,283	24	95,864	7,454	3,030	-	10,485	77,151	85,379
Current Years Totals-2014-15	2,714,193	538,322	52,198	3,200,317	298,740	130,062	470	428,332	2,415,454	2,771,985
Previous Years Totals-2013-14	1,927,590	786,815	211	2,714,193	214,204	78,514	6,021	298,740	1,713,385	2,415,454

1. During the year the Company adopted useful life of assets as prescribed in Schedule II of the Companies Act 2013 for computing depreciation. As a result there has been an increase of depreciation amount by ₹ 33,295,215/-.
2. Leasehold land includes 131 bighas of Govt. land of ₹ 89.04 Lakhs, the possession of which has been handed over to BCPL, however, title deed for the same is yet to be transferred.



Note : 10 : Capital Work In Progress

in '000

SL No.	Particulars	As at 31 st March, 2015	As at 31 st March, 2014
A	CWIP-Capital jobs	33,370,954	29,202,067
B	CWIP-Intangible assets pending amortisation	2,075,306	1,633,455
C	CWIP-Enabling Assets	2,698,077	2,698,077
D	CWIP-Construction stock :		
1	Material at site-Inland Supplies	2,602,586	3,591,437
2	Material at site-Foreign Supplies	1,777,649	1,595,816
3	Material in-transit/ Under erection (Packaged contracts) - inland supplies	1,582,099	1,650,211
4	Material in-transit/ Under erection (Packaged contracts) - foreign supplies	281,616	1,177,093
5	Material pending for inspection	347,384	5,077,902
6	Material Handling services	69,450	63,539
E	PMC fees for project related activities	4,336,531	4,297,265
F	Charges paid for opening of foreign letter of credit	1,509	3,894
G	Interest on mobilization advance	(311,987)	(197,273)
H	WCT recoverable from GoA	(1,241,240)	(1,006,272)
I	Incidental expenses during construction	9,108,923	6,113,267
	Total	56,698,857	55,900,478

Interest recovered on mobilisation advances have been reduced from Capital Work in Progress as these amounts are received in respect of funds given as advance for works and have the effect of reducing the cost of construction.



Note:11: Long-term loans and advances

(i) Disclosure pursuant to Note no.6. L (i),(ii) and (iii) of Part I of Schedule III to the Companies Act, 2013.

in '000

Particulars	As at 31 st March,2015	As at 31 st March,2014
(a) Capital Advances		
Secured, considered good		
-Advance for capital Job	53,784	112,567
-Material Advance	20,168,543	13,057,791
-Mobilisation Advance	772,080	516,293
Unsecured, considered good	-	-
Doubtful	-	-
	20,994,407	13,686,651
(b) Security Deposits		
Secured, considered good	-	-
	-	-
(c) Loans and advances to related parties (refer note (ii) below)		
Secured, considered good	-	-
	-	-
(d) Other loans and advances		
Secured, considered good		
- Cenvat	3,144,342	2,335,065
- Cenvat- Deferred	748,518	696,639
	3,892,860	3,031,704
Total	24,887,267	16,718,355

1. Mobilisation advance against various works earlier grouped under "short term loans and advances - Note no : 15" now regrouped under long term loans and advances.
2. The Company has opted for Cenvat credit option pursuant to the earlier excise exemption order, rescinded in month of Nov, 2011. Accordingly the Company has accounted cenvat credit on regular basis. Total cenvat credit upto 31.03.2015 stands at ` 5,118,284,834/-. Out of this ` 1,226,400,000/- has been shown under other current assets at note no.16 based on the assumption of commissioning by June,2015 and utilisation of the cenvat credit against excise duty on projected turnover in its 1st year of operation.

ii. Disclosure pursuant to Note no.6. L (iv) of Part I of Schedule III to the Companies Act, 2013.

in '000

Particulars	As at 31 st March, 2015	As at 31 st March, 2014
Directors	-	-
Other officers of the Company	-	-
Firm in which director is a partner	-	-
Private Company in which director is a member	-	-
	-	-



Note:12:Other Non Current Assets

Disclosure pursuant to Note no.6.M (i),(ii) and (iii) of Part I of Schedule III to the Companies Act, 2013.

in '000

Particulars	As at 31 st March,2015	As at 31 st March,2014
(a) Long term trade receivables (including trade receivables on deferred credit terms).	-	-
(b) Others		
Deposits with Govt. & Other authorities - (ASEB,CISF,GAIL & Others)	67,407	42,591
Total	67,407	42,591

Note:13: Trade receivables

Disclosure pursuant to Note no.6.P (i), (ii), (iii) and (iv) of Part I of Schedule III to the Companies Act, 2013.

in '000

Trade Receivables	As at 31 st March,2015	As at 31 st March,2014
Trade receivables outstanding for a period less than six months from the date they are due for payment	-	-
Total	-	-

Trade Receivable stated above include debts due by:

in '000

Particulars	As at 31 st March,2015	As at 31 st March,2014
Directors	-	-
Other officers of the Company	-	-
Firm in which director is a partner	-	-
Private Company in which director is a member	-	-
Total	-	-



Note :14: Cash and Cash Equivalents

Disclosure pursuant to Note no.6.Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule III to the Companies Act, 2013.

in '000

Particulars	As at 31 st March,2015	As at 31 st March,2014
(a) Balances with banks		
-In Current Account & Corporate Liquid Term Deposit	791,816	18,290
(b) Cheques, drafts on hand		
	-	-
(c) Cash on hand		
	-	-
(d) Others		
Escrow account	-	11
Term deposits having remaining maturity period of 12 months or less	310,000	570,000
Term deposit having maturity more than 12 months	203	203
Total	1,102,019	588,504

Note :15: Short-term loans and advances

Disclosure pursuant to Note no.6.R (i), (ii), (iii) and (iv) of Part I of Schedule III to the Companies Act, 2013.

in '000

Particulars		As at 31 st March,2015		As at 31 st March,2014
(a) Loans and advances to employees				
Secured, considered good		1,055		1,038
Unsecured, considered good		-		-
Doubtful		-		-
(b) Prepaid expenses				
Insurance	78,856		138,817	
Gratuity	7,650	86,506	7,287	146,104
(c) Others				
Advance income tax	80,802		46,245	
Advance Entry Tax	601		-	
Custom	228		576	
EIL revolving fund	300		300	
TDS	92,977		84,571	
Adv Mobilization-Others	9,103		10,870	
Advance to others	4,549	188,560	117,067	259,629
Total		276,121		406,771



Note 16: Other current assets

Disclosure pursuant to Note no.6.S of Part I of Schedule III to the Companies Act, 2013.

₹ in '000

Particulars		As at 31 st March,2015		As at 31 st March,2014
(a) Unbilled revenue		-		-
(b) Unamortised expenses		52,971		47,434
(c) Accruals				
Interest accrued on STDR / Deposits		5,992		2,738
Interest accrued on mobilization advance		33,382		14,950
Accrued income on crane hiring charges		-		1,389
(d) Others				
Insurance	23,433		10,515	
Govt. of Assam (WCT)	187,577		206,949	
Contractors	2,482		1,754	
Employee	89		122	
Recovery of Crane hire charges	5,458		3,530	
Deposit with LIC-PRBS	33,934		-	
Cenvat	1,226,400		1,454,800	
Others	96	1,479,469	30	1,677,700
Total		1,571,814		1,744,211

1. Amount receivable as WCT from Govt. of Assam has been treated as short term as the claim already stands lodged, and the amount is expected to be received in cash during the next financial year.
2. In line with Accounting Policies, of amortisation of deferred revenue expenditure in the very first year of commercial production, the unamortised expenses amounting to ₹ 52,970,886/- has been disclosed under other current assets.
3. With respect to cenvat credit of ₹ 122.64 Cr classified under other current assets as above, reference is drawn to Note no .11

Note 17: Other Income

₹ in '000

Particulars	As at 31 st March,2015	As at 31 st March,2014
(a) Net gain on foreign currency transaction and translation	-	8794
(b) Prior period adjustment (Net gain on foreign currency transaction and translation)	-	-
Total	-	8,794

Note 17A: Other expenses

₹ in '000

Particulars	As at 31 st March,2015	As at 31 st March,2014
(a) Net loss on foreign currency transaction and translation	16,215	-
(b) Prior period adjustment (Net loss on foreign currency transaction and translation)	-	-
Total	16,215	-



Notes to Accounts as at 31.03.2015

Note 18: Additional Information to the Financial Statements

1. Project cost Revision

Due to time overrun and other micro economic factors, increase in project cost of ` 913.52 crore over the approved cost of ` 8920 crore is estimated. The new time line of completion of the project by 30th June, 2015 is envisaged. Accordingly, the proposal for revised project cost of ` 9833.52 crore, commissioning of Project by 30th June, 2015, revenue subsidy and applicability of NER concessional gas price/feedstock subsidy for 15years of plant operation has been submitted to the Administrative Ministry duly recommended by the Company's Board. The proposal is under consideration by the Government.

2. Preparation of Profit and Loss Account as per Schedule III of Companies Act, 2013

Though the Company is in construction stage and no commercial activities have been started to date, keeping in view the requirement of schedule III of Companies Act 2013, and in line with the change in accounting policy in respect of treatment on loss/gain on foreign currency transaction and translation account w.e.f. Financial Year 2012-13, Profit and Loss account has been prepared by debiting/crediting the net loss/gain on foreign currency fluctuations. It is also relevant to note that incidental expenditure during construction period pending allocation to Fixed Assets on capitalization has been treated under "Capital work in progress".

3. Effective 1st April 2014, the Company has revised the useful life of fixed assets based on schedule II to the Companies Act, 2013 for the purpose of providing depreciation on fixed assets. As such, depreciation and amortization expenses increased by ` 3.33 Cr and accordingly there is a corresponding increase in IEDC and decrease in fixed asset by same amount.

4. GAIL's Lakwa Unit transfer

Pursuant to the Joint venture agreement among the promoters of the Company and recommendation of Inter-Ministerial Committee as constituted by Government of India, the transfer of GAIL's Lakwa Unit's at net book value is in process of transfer to the Company with a cutoff date of 1st April 2015. The value of the net assets is being determined and to be adjusted against equity share capital of ` 95.29 Crore to be issued to M/s. GAIL (India) Limited and balance if any, to be settled in cash.

5. Employees Superannuation Benefit Fund Trust

In compliance to the Board's approval in 41st meeting, the Company has created Employees Superannuation Benefit Trust and adopted Employees group Superannuation benefit scheme of Life Insurance Corporation of India Limited (LIC) in the current financial year. An amount of ` 3,39,34,410/- (previous year NIL) has been contributed towards the scheme and has been



accounted as " Deposit with LIC" under Other Current Assets (Ref. Note 16). The proposal in this respect submitted to Administrative Ministry for approval of the scheme in line with the DPE guideline. After approval the required liability depending on the fund position shall be provided.

- Since Commercial Production has not been started, Indirect Expenses incurred during construction period which is not related to construction/acquisition of Fixed Assets are being carried forward under the head "Other current assets" and will be fully amortized in the first year of Commercial Production. An amount of ` 5,29,70,886/- (previous year ` 4,74,33,919/-) was spent up to 31.03.2015 towards Incorporation expenses, CSR activities, Advertisement for development of public relation etc. will be written off fully in the first year of commercial production.

7. Claim of Work Contract Tax from Govt. of Assam

Details of claim as under	Amount in `	
	Current Year	Previous Year
Opening claim as on 01.04.2014	20,69,49,567	33,11,62,710
Claim lodged for the financial year	18,75,76,791	20,68,80,856
Total Claim Lodged:	39,45,26,358	53,80,43,566
Less: Received during the year	20,68,80,651	32,90,00,000
Less: Claim reversed	68,916	20,93,999
Receivable as at 31.03.2015	18,75,76,791	20,69,49,567

8. Taxability of interest income from short term deposit(STDRs) during Project period

Since the Company is in construction stage, the interest income earned by parking of funds in short term deposits (STDRs) are inextricably linked with setting up of the project and not taxable as per legal opinion obtained by Company. The banks are however deducting TDS. An application under section 264 of Income Tax Act 1961 has been filed with CIT (TDS), Guwahati against rejection of application in Form No. 13 for issue of No-Deduction Certificate.

In the light of above position, Company has opted not to deposit advance tax on interest income from short term deposits out of parking of funds from Equity, Loan & Subsidy till commissioning of the project. However, as an abundant precaution, necessary tax provisions have been made pending disposal of the petitions.

The Company has filed refund claim against the TDS deducted by banks and tax deposited earlier. The cases are pending with CIT (Appeal), Shillong and ITAT, Kolkata. The year wise

Refund claims are furnished hereunder.

Year	Refund Claimed (`)
2008-09	2,77,12,793
2009-10	1,85,09,419
2010-11	1,09,90,510
2011-12	1,42,85,640
2012-13	2,21,53,320
2013-14	2,95,94,850
Total	12,32,46,532



9. Provision of Income Tax

During the year Provision for Income tax is made for ` 2,23,57,942/- (previous year ` 9,90,43,562/-) on interest earned on STDRs & CLTDs kept by investing surplus funds of Loan, Equity and Capital Subsidy and other Incomes pending disposal of the case by CIT (Appeal)/ITAT. Corresponding tax expenses has been debited to "Rates & taxes" under "Incidental Expenses During Construction Period (IEDC)"

10. Recognition of Cenvat Benefit

CENVAT credit up to 31.03.2015 as per return filed with Excise Department comes to ` 427,56,00,498 /- (Previous year ` 364,92,47,832/-) as against ` 5,11,82,84,834/- reflected in books of accounts. Against total difference of ` 84,26,84,336/- as deferred credit portion of CENVAT, ` 75,09,50,714/- will be recognized during next FY 2015-16. The remaining difference of ` 9,17,33,622/- is being examined for its eligibility as per rules.

11. Deferred Tax Liability

No deferred tax liability has been recognized since the project is in the construction stage.

12. Lease Hold Land

Lease hold Land including development cost there on amounting to ` 8,93,652,082 /- (Previous year ` 81,87,32,699/-) comprises land for which lease deed has been executed for a period of 30 years. As the title to the land rest on the Govt. of Assam, the same will be amortized over the said period. Such land has been reflected as a tangible asset under note 9 to the financial statements.

13. Right of Use

The Company has acquired the "Right of Use" (ROU) for the purpose of laying and maintenance of the underground pipeline for receiving and supplying of Gas is shown under Intangible Assets. Perpetual Right of Use of ` 8,57,55,700 /- (Previous year ` 7, 56, 25,684/-) acquired by the Company does not bestow upon the Company the ownership of land . However the cost of such ROU is amortized over 99 years as per the accounting policy adopted by the Company in the FY 2013-14. Further, cost of Right of use (limited useful life) having useful life of 10 years is being amortized over the life of ROU.

14. Term Deposit with Public Works Department

Term Deposit amounting to ` 2,03,127/- (previous year ` 2,03,127/-) has been kept as security deposit (refundable) for permission of laying pipelines with Public Works Department.

15. Auditors Fees

The fees for the Statutory Auditors for the financial year 2014-15 has been fixed at ` 2,00,000/- (Previous year ` 2,00,000/-). An amount of NIL (Previous year ` 39,000/-) was paid to the auditors during the financial year 2014-15 for other services.

16. Insurance

Insurance claim of ` 2,34,33,328 /- (Previous year ` 1,05,14,766/-) has been recognized in the



books. Insurance claims are being recognized when the amount thereof can be measured reliably and ultimate collection is reasonably certain. Further, the material procured as replacement of damage/theft material are accounted under CWIP. The insurance claim against those damaged/theft material will be accounted by crediting CWIP on settlement of claims.

17. Contingent liabilities and Commitments (To the extent not Provided for)

- (a) Claims against the Company not acknowledged as debt : Out of total 15 legal cases, in two cases the financial impact is estimated ` 45.66 crore (previous year ` 5.01 Crore) and for remaining 13 legal cases, the financial impact is not ascertainable at this stage.
- (b) Other money for which the Company is contingently liable:
 - (i) Bank Guarantees issued : ` 1,66,50,096/- (previous year NIL)
 - (ii) The Company has arranged for issuance foreign letter of credits through bankers and the outstanding LCs as on 31.03.2015 is ` 51.41 Cr (Previous year ` 86.75 Cr).

(c) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

	2014-15(` in Cr.)	2013-14(` in Cr.)
Tangible Assets	696.26	1097.08
Intangible Assets	26.63	87.31
Total	722.89	1184.39

18. Capitalization

During the year Assets of ` 53,83,22,132/- (Previous year ` 78,68,14,756/-) has been capitalized in books.

19. Balance Confirmation

Balance confirmation has been sought from certain vendors/contractors/authorities for balances grouped under loans and advances, deposits and sundry creditors. However reconciliation of accounts with parties is carried out as an ongoing process.

20. Forex Transactions

- a) Value of import calculated on CIF basis by Company for the FY 2014-15 up to 31.03.2015 in respect of capital goods is ` 32,52,73,218/- (Previous year ` 40,26,25,367/ -).
- b) Expenditure in foreign currency includes the followings:-
 - Fess for Licensors (Net of TDS) ` 36,45,25,211 /- (Previous year ` 2,59,65,332/-)
 - Others (Net of tax where applicable) ` 47,11,00,841 /- (Previous year ` 21,34,76,154/-)
- c) During the year up to 31.03.2015 Net loss on foreign currency transaction and translation of ` 1,62,15,447/- (previous year net gain of ` 87,93,480/- credited to profit and loss account) has been debited to profit and loss account in view of change in accounting policy w.e.f FY 2012-13.



21. Expenses on Secondees

During the year 2014-15 the expenses of ` 22,90,14,311/- (Previous year ` 20,32,30,295/-) has been incurred up to 31.03.2015 on employees deputed on secondment basis from GAIL (India) Ltd and accounted under IEDC head on the basis of the debit advices raised from the holding Company.

22. Related Party Disclosures

Information as per Accounting Standard 18 as prescribed under Accounting Standard Rules, 2006 on Related Party Disclosures is given below:

Name of related parties and description of relationship:

Sl. No.	Name of the Related Party	
a) Holding Company :		
Sl. No.	Name of the Related Party	
1	GAIL (India) Ltd.	
b) Joint Owners :		
1	Numaligarh Refinery Limited	
2	Oil India Limited	
3	Government of Assam	
c) Key Management Personnel		
1	Mr. P. N. Prasad	Managing Director
2	Mr. O P Tailor (from 01.07.2013)	Director Finance & CFO
3	Mr. Manoj Jain (From 25.04.2013)	Chief Operating Officer
4	Mrs. Ruli Das Sen	Company Secretary

Details of Transactions:

Details	2014-15	2013-14
a) Holding Company :		
Expenditure incurred on Salary of employees on Deputation	` 22,90,14,311/-	` 19,40,85,026/-
Amount Paid towards purchase of Stores/Consumables	` 21,70,703/-	-
Equity Share Contribution	-	-
Expenditure incurred on rental and electricity(including provision for ` 51,827/-) for Noida and Lakwa establishments.	` 42,93,007/-	` 51,17,979/-
Amount Paid towards Training Expenses.	-	` 59,40,000/-
Amount Outstanding in Current Liabilities & Provisions up to 31.03.2015(Salary & Establishment)	` 2,01,84,157/-	` 1,67,28,803/-



b) Joint Owners :		
Amount paid for infrastructure development for gas supply	-	-
Amount outstanding for infrastructure development for gas supply	₹ 1,45,34,85,229/-	₹ 1,45,34,85,229/-
Expenditure Incurred on purchase of Gas(OIL)	₹ 8,56,26,808/-	-
Amount outstanding for purchase of Gas(OIL)	₹ 1,38,42,902/-	-
Equity Share Contribution	-	₹ 11,24,47,000/-
Interest paid on inter corporate Loan (OIL)	₹ 26,24,99,998/-	₹ 25,58,01,370/-
c) Key Management Personnel:		
Remuneration to Directors	₹ 66,59,449/-	₹ 52,94,213/-
Amount Outstanding(Payable)	-	-

23. Segment Reporting (AS 17)

The Company is under construction stage and hence Accounting Standard -17 "Segment Reporting" of the Companies (Accounting Standard) Rules, 2006 is not applicable.

24. Claims due to Micro , Small & Medium enterprise

To the extent information available to the Company, amount of ₹ 6,62,249/- (Previous year ₹ 9,90,388/-) was due to Micro ,Small and Medium Enterprises. These represent deposits etc. and no amounts were overdue for payment as on 31st March, 2015.

25. Previous year's figures have been regrouped /reclassified wherever necessary to correspond with the current year's classification/disclosure.

Sd/-
(P.N.Prasad)
Managing Director

Sd/-
(O.P.Tailor)
Director Finance and CFO

Sd/-
(Ruli Das Sen)
Company Secretary

As per our separate report on Even Date

For Das & Sharma
Chartered Accountants,
Firm No. 314214E

Sd/-
(Devajit Sharma)
Partner
Mem. No.052268

Place : New Delhi
Date : 29.05.2015



Significant Accounting Policies as at 31-03-2015

Note 19 : Significant Accounting Policies

1. Basis of accounting and preparation of financial statements

a. Accounting Convention

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013 including accounting standards notified there under.

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of asset and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements. Examples of such estimates include estimated useful life of fixed assets and estimated useful life of leased assets. Actual results could differ from these estimates.

2. Inventories

- a. Raw materials and Finished products are valued at cost or net realizable value, whichever is lower. Finished products include excise duty and royalty wherever applicable.
- b. Stock in process is valued at cost or net realizable value, whichever is lower. It is valued at cost where the finished products in which these are to be incorporated are expected to be sold at or above cost.
- c. Stores and spare and other material for use in production of inventories are valued at weighted average cost or net realizable value, whichever is lower. It is valued at weighted average cost where the finished products in which they will be incorporated are expected to be sold at/or above cost.
- d. Surplus/Obsolete Stores and Spares are valued at lower of cost or net realizable value whichever is lower.
- e. Surplus/Obsolete Capital Stores, other than held for use in construction of a capital asset, are valued at lower of cost or net realizable value.
- f. All issues of Project Materials to Contractors for use in Capital Jobs are valued at weighted average cost.



3. *Fixed Assets, Capital Work-in-Progress & Depreciation /Amortisation*

a. **Fixed Assets:**

Fixed Assets are valued at historical cost on consistent basis inclusive of incidental expenses related thereto. In the case of commissioned assets, where final payments to the contractors is pending, capitalization is made on provisional basis, including provisional liability pending approval of the Competent Authority, subject to necessary adjustment in cost and depreciation in the year of settlement.

Machinery spares, which can be used only in connection with an item of fixed asset and their use is expected to be irregular, will be capitalized with the cost of that fixed asset and will be depreciated fully over the remaining useful life of that asset.

Asset acquired out of Government Grants are capitalized, by way of corresponding credit to Capital Reserves.

b. **Intangible Assets**

Assets like software, licenses and right of use of land including crop compensation in course of acquiring such ROU which are expected to provide future enduring benefits will be capitalized as Intangible Assets.

c. **Capital Work-in-Progress**

The Capital Work-in-progress includes PMC Fees /advance for capital goods/materials in Transit / value of materials/equipment etc received at site for use in the projects.

d. **Expenditure incurred during construction period**

All revenue expenditure incurred during the construction period, which are, directly or indirectly attributable to acquisition/construction of specific fixed assets, will be capitalised at the time of commissioning of such assets.

e. **Depreciation / Amortization**

During Financial Year 2014-15 the Company has changed its Accounting Policy in respect of Depreciation on Fixed Assets in line with the requirement of Schedule-II of the Companies Act 2013. The useful life of depreciable assets has been considered as prescribed under the said schedule other than cases as mentioned below.

- i. Cost of the leasehold land is amortized over the lease period of 30 years.
- ii. Capital expenditure on the assets, the ownership of which are not with the Company, and referred to as enabling facilities are shown separately under the heading "Capital Expenditure-Enabling Facilities". These assets will be amortized over useful life of the assets from the date from which they are put into use.



- iii. Intangible assets other than ROU of land is amortized equally over the useful life of the asset not exceeding five years from the date of recognition.
- iv. Depreciation due to price adjustments on account of foreign exchange rate variations or otherwise in the original cost of fixed assets will be charged with prospective effect.
- v. Indirect expenses incurred during the construction period which are not related to the construction activity nor are incidental thereto, will be amortized fully in the First Year of Commercial Production of the Company.
- vi. ROU having limited useful life is being amortized over the life of ROU not exceeding 10 years and ROU of perpetual in nature are amortized over 99 years.

4. *Borrowing Costs*

Borrowing cost of the funds that are attributable to the acquisition or construction of qualifying assets is capitalized as a part of the cost of such assets. The same will be capitalized up to the date when the asset is ready for use, after netting off any income earned on temporary investment of such funds.

5. *Foreign Currency Transaction*

- a. Transactions in foreign currency are accounted at the exchange rate prevailing on the transaction date.
- b. Monetary items (such as Cash, Receivables, Loans, Payables etc) denominated in foreign currencies, outstanding at the year end, are translated at exchange rates (BC Selling rate for Payables and TT buying rate for Receivables) prevailing at the year end.
- c. Non-monetary items (such as Investments, Fixed Assets etc) denominated in foreign currencies are accounted at the exchange rate prevailing on the date of transaction(s).
- d. Any gains or loss arising on account of exchange difference either on settlement or on translation is accounted for in the profit & loss account except in case of long term foreign currency monetary items relating to acquisition of depreciable capital assets in which cases they are adjusted to the carrying cost of such assets and in other cases, accumulated in "Foreign Currency Monetary Items Translation Difference Account" in the financial statements and amortized over the balance period of such long term assets or liability, by recognition as income or expenses in each of such period.

6. *Capital grants by Government of India*

Non-refundable Government Grants in the nature of promoters' contribution are credited to capital reserve and are treated as part of shareholders' funds.

7. *Employee benefits*

- a. All short term employee benefits are recognized at their undiscounted amount in the accounting period in which they are incurred.



- b. Employees Benefits under Defined Contribution Plan in respect of Provident Fund is recognized based on the undiscounted obligation of the Company towards contribution to the fund. The same is paid to the provident fund account with the Regional Commissioners of P.F.
- c. Expenses and liabilities in respect of employee benefits are recorded in accordance with Revised Accounting Standard -15 - Employee Benefits (revised 2005) issued by ICAI.
- d. During the year 2013-14 the Company created gratuity trust for funding the gratuity liability and LIC was appointed as the fund manager of the trust. The contribution towards gratuity liability as on 31.03.2015 has been considered based on actuarial valuation as in earlier years.

8. *Taxes on income*

- a. Provision for Tax during the construction period is made on interest earned on short term investments of surplus fund during the construction period, which is treated for tax purposes as "Income from other Sources". Such income tax has been debited under the head IEDC-Rates & Taxes.
- b. On commissioning, the Company will be eligible for tax incentives under section 80IE of the Income Tax Act, 1961, and will be liable to MAT only under section 115JB of the said Act.

9. *Preliminary Expenses*

The qualifying preliminary expenditure incurred in connection with the setting up of the business and the new industrial unit to be amortized fully in the first year of Commercial Production.

10. *Impairment of assets*

If the carrying amount of the fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of the estimated future cash flows.

11. *Provisions, Contingencies & Capital Commitments*

- a. Provisions are recognized when there is present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.
- b. Liabilities for expenses are recognized only when such liabilities exceed ₹ 0.10 Lakhs.
- c. Contingent assets are neither recognized nor disclosed in the financial statements. Contingent liabilities exceeding ₹ 5.00 Lakhs in each case are disclosed by way of notes to accounts.
- d. Estimated amount of contracts remaining to be executed on capital accounts are disclosed in each case above ₹ 5.00 Lakhs.



12. *Segmental Reporting*

The Company has only one segment; hence there are no reportable segments under Accounting Standards 17 "Segment Reporting" of the Companies (Accounting Standard) Rules, 2006.

13. *General*

- a. Prepaid expenses and prior period expenses/income up to ` 1.00 lakh in each case will be charged to relevant heads of account of the current year.
- b. Liquidated damages if any, will be accounted for as and when recovery is effected and the matter is considered settled by the Management. Liquidated damages, if settled after capitalization of the assets are charged to revenue, if below ` 50.00 lakhs in each case otherwise adjusted in the cost of the relevant assets.
- c. Insurance claims are accounted for on the basis of claims admitted by the insurers.
- d. Custom duty and other claims (including interest on delayed payments) will be accounted for on acceptance in principle.

Sd/-
(P.N.Prasad)
Managing Director

Sd/-
(O.P.Tailor)
Director Finance and CFO

Sd/-
(Ruli Das Sen)
Company Secretary

As per our separate report on Even Date

For Das & Sharma
Chartered Accountants,
Firm No. 314214E

Sd/-
(Devajit Sharma)
Partner
Mem. No.052268

Place : New Delhi
Date : 29.05.2015



Incidental Expenses During Construction

in '000

Particulars	As on 31 st March, 2015	As on 31 st March, 2014
Interest charges to lenders	-	300,154
OIDB interest charges	787,393	553,815
OIL interest charges	262,500	255,801
Interest on Loan-SBI	540,722	73,614
Bank charges	1,541	48
Advertisement & publicity	8,921	3,709
CISF & security	149,647	115,622
Communication expenses	7,998	6,522
Depreciation	130,062	84,535
Insurance	143,822	66,865
Other infrastructure expenses	3,742	3,835
Casual Labour Charges	18,391	18,296
Others	24,042	16,084
Payment to auditors	1,693	1,692
Power, fuel & water charges	260,856	55,794
Printing & stationery	3,272	5,011
Professional & consultancy charges	14,545	133,791
Rates & taxes	22,361	101,675
Recruitment & training exp	12,562	12,131
Rent	18,697	20,654
Repairs & maintenance	38,922	7,258
Salary, wages & staff costs	544,669	435,503
Township & Guest House maintenance	7,109	1,833
Travelling expenses	48,913	20,372
Vehicle hire & running exp	57,402	47,923
Crane hiring charges	7,972	7,942
Incidental expenses 2007-08 pending adjustment	89,133	89,133
Incidental expenses 2008-09 pending adjustment	124,251	124,251
Incidental expenses 2009-10 pending adjustment	295,631	295,631
Incidental expenses 2010-11 pending adjustment	471,015	471,393
Incidental expenses 2011-12 pending adjustment	944,940	949,428
Incidental expenses 2012-13 pending adjustment	1,943,982	1,957,866
Incidental expenses 2013-14 pending adjustment	2,215,150	-
Coin adjustment	-	-
Total	9,201,856	6,238,181
Less : Incidental Income/Receipts:		
Bank interest on CLTD	19,039	20,665
Bank interest on STDR's.	49,546	85,629
Mobile handset recovery	10	11
Miscellaneous Receipts	6,043	3,967
Miscellaneous receipts electricity	470	114
Miscellaneous receipts house rent recovery	453	88
Miscellaneous receipts interest on security deposit with ASEB	701	-
Miscellaneous receipts lease rent recovery	2,617	2,871
IEDC capitalised	11,310	9,537
Notice Pay Recovery	81	-
Interest recovery from lenders	13	-
Miscellaneous receipts forfeiture of EMD/SD	-	479
Miscellaneous income sale of bid document	2,354	515
Overhead charged on insurance claim	72	847
Recovery from bachelor accomodation	224	191
Total	92,933	124,914
Net Incidental Expenses	9,108,923	6,113,267



Cash Flow Statement
for the period ended 31st March, 2015

in '000

PARTICULARS		For the Financial Year 2014-2015	For the Financial Year 2013-2014
A.	Cash flow from investing activities		
	Additions/purchases of fixed assets	(356,532)	(702,068)
	Capital work-in-progress	2,197,277	(628,229)
	Incidental expenses during construction	(3,001,194)	(2,185,131)
	Profit/(Loss) -Foreign exchange fluctuation	(16,215)	8,794
	Current assets loans and advances	(7,885,143)	(6,082,773)
	Current liabilities and provisions	733,272	482,129
	Net cash outflow from investing activities	(8,328,535)	(9,107,278)
B.	Cash flow from financing activities		
	Proceeds from issue share capital	408,386	749,213
	Proceeds from loans	8,842,050	(2,024,515)
	Proceeds from advance against share capital from NRL , OIL , GAIL (india) Ltd and Govt. of Assam	(408,386)	(638,163)
	Proceeds from capital subsidy from Govt. of India	-	9,952,493
	Net cash inflow from financing activities	8,842,050	8,039,028
	Net increase in cash & cash equivalents (A+B)	513,515	(1,068,250)
	Opening cash and cash equivalents	588,504	1,656,754
	Closing cash and cash equivalents	1,102,019	588,504
	Closing cash and cash equivalents as per books	1,102,019	588,504
Note:			
Cash and cash equivalent as per revised schedule III			
	-In Current Account & Corporate Liquid Term Deposit	791,816	18,290
Restricted cash :			
	Term deposit having maturity more than 12 months	203	203
	Term deposits having remaining maturity period of 12 months or less	310,000	570,000
	Escro account balance	-	11
	Total	1,102,019	588,504

Sd/-
(P.N.Prasad)
Managing Director

Sd/-
(O.P.Tailor)
Director Finance and CFO

Sd/-
(Ruli Das Sen)
Company Secretary

As per our separate report on Even Date
For Das & Sharma
Chartered Accountants,
Firm No. 314214E
Sd/-

(Devajit Sharma)
Partner
Mem. No.052268

Place : New Delhi
Date : 29.05.2015



Comments of the Comptroller and Auditor General of India

Comments of the Comptroller and Auditor General of India Under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of Brahmputra Cracker and Polymer Limited, Guwahati for the year ended 31st March 2015.

The preparation of financial statements of Brahmputra Cracker and Polymer Limited, Guwahati for the year ended 31st March 2015 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act, based on independent audit in accordance with standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 30-05-2015.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of Brahmputra Cracker and Polymer Limited, Guwahati for the year ended 31st March 2015. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's Report.

Place: Kolkata
Date: 22.06.2015

For and on behalf of the
Comptroller & Auditor General of India
Sd/-
(Yashodhara Ray Chaudhuri)
Principal Director of Commercial Audit
& Ex-officio Member, Audit Board-I, Kolkata



Gas Sweetening Unit

Brahmaputra Cracker and Polymer Limited

Registered Office: Hotel Brahmaputra Ashok, M G Road, Guwahati, Assam-781001

CIN: U11101AS2007GOI008290

FORM OF PROXY

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s): _____
Registered address: _____
E-mail Id: _____
Folio No/Client Id: _____
DP ID: _____

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint

1. Name: _____
Address: _____
E-mail Id: _____
Signature: _____, or failing him
2. Name: _____
Address: _____
E-mail Id: _____
Signature: _____, or failing him
3. Name: _____
Address: _____
E-mail Id: _____
Signature: _____,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 8th Annual General Meeting of the Company, to be held on the 9th day of September, 2015 at 3.00 p.m. at the registered office, Hotel Brahmaputra Ashok, M.G. Road, Guwahati – 781001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

.....
.....
.....
.....

Signed this..... day of..... 2015.

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp
Re.1/-

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





Brahmaputra Cracker and Polymer Limited
Registered Office
Hotel Brahma Putra Ashok
M. G. Road, Guwahati - 781001