



**BRAHMAPUTRA CRACKER AND POLYMER LIMITED**

(A Govt. of India Enterprise)

**ANNUAL ACCOUNTS**

**2014-15**



## **BRAHMAPUTRA CRACKER AND POLYMER LIMITED**

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**INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Financial Statements**

We have audited the accompanying financial statements of Brahmaputra 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 an 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 31<sup>st</sup> 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 19on 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 31<sup>st</sup> 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 11 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.

For DAS & SHARMA  
Chartered Accountants  
FRN:314214E

  
Devajit Sharma  
Partner  
Mem No 052268



Place: Guwahati  
Dated:30<sup>th</sup> May,2015

**Annexure I referred to in paragraph 1 of the Our Report of even date to the members of Brahmaputra Cracker & Polymer Limited on the accounts of the company for the year ended 31<sup>st</sup> 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  
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.

For Das & Sharma,  
Chartered Accountants,  
FRN 314214E



Devajit Sharma,  
Partner.

Mem No 52268.

**Dated 30<sup>th</sup> May, 2015**



**Annexure II referred to in paragraph 2(f) of the Our Report of even date to the members of Brahmaputra Cracker & Polymer Limited on the accounts of the company for the year ended 31<sup>st</sup> 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.

For Das & Sharma,  
Chartered Accountants,  
FRN 314214E

  
Devajit Sharma,  
Partner.  
Mem No 52268.  
**Dated 30<sup>th</sup> May, 2015**



BRAHMAPUTRA CRACKER AND POLYMER LIMITED		Balance Sheet as at 31st March, 2015		₹ In '000
Particulars	Note No.	As at 31st March, 2015	As at 31st March, 2014	
<b>A EQUITY AND LIABILITIES</b>				
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	
<b>TOTAL</b>		<b>87,375,470</b>	<b>77,816,364</b>	
<b>B ASSETS</b>				
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		-	-	
(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	
<b>TOTAL</b>		<b>87,375,470</b>	<b>77,816,364</b>	
C Additional Information	18			
D Significant Accounting Policies	19			

(P.N.Prasad)  
Managing Director

(O.P.Tailor)  
Director Finance and CFO

(Raj Das Sen)  
Company Secretary

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

(Devajit Sharma)  
Partner  
Mem No. 052268

Place : New Delhi  
Date :29.05.2015







**BRAHMAPUTRA CRACKER AND POLYMER LIMITED**  
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st March, 2015

₹ In '000

Particulars	Note No.	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
I. Revenue From Operations <u>In respect of a company other than a finance company:</u> Sale of products Sale of services Other operating revenues <b>Loss:</b> 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 (2) Diluted		NA NA	NA NA

  
(P.N. Prasad)  
Managing Director

  
(O.P. Tallor)  
Director Finance and CFO

  
(Ravi Das Sen)  
Company Secretary

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

  
(Devajit Sharma)  
Partner  
Mem No. 052268

Place : New Delhi  
Date : 29.05.2015





**BRAHMAPUTRA CRACKER AND POLYMER LIMITED**

**Note:1: Share capital**

Particulars	As at 31st March, 2015		As at 31st 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	-	-	-	-
<b>Total</b>	<b>1,173,710,113</b>	<b>11,737,101</b>	<b>1,132,871,560</b>	<b>11,328,716</b>

**Note :1 (a):Share Capital Reconciliation**

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
<b>Equity Shares</b>								
Year ended 31st 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 31st 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**

(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 31st March, 2015		As at 31st March, 2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares :</b>				
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 31st March, 2015	As at 31st March, 2014
<b>Equity shares with voting rights</b>		
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	-	-
<b>Equity shares with differential voting rights</b>		
Fully paid up pursuant to contract(s) without payment being received in cash	-	-
Fully paid up by way of bonus shares	-	-
Shares bought back	-	-

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	Number of shares	₹ In '000	Number of shares	₹ In '000
<b>Equity shares with voting rights</b>				
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





## BRAHMAPUTRA CRACKER AND POLYMER LIMITED

Note:2: Reserves and surplus

₹ in '000

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>(a) Capital reserve</b>		
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
	47,089,502	47,089,502
<b>(b) Surplus</b>		
Opening Balance of Profit & Loss Statement - Profit/(Loss)	(200,343)	(209,137)
Current year Balance - Profit/(Loss)	(16,215)	8,794
	(216,558)	(200,343)
<b>Total</b>	<b>46,872,944</b>	<b>46,889,159</b>

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

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Details of government grants:</b>		
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
<b>Total</b>	<b>-</b>	<b>9,952,493</b>

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.





## BRAHMAPUTRA CRACKER AND POLYMER LIMITED

Note:3: Share Application money pending allotment

₹ in '000

JV Partner	Equity Call Issued	Money Received	Shares Allotted	As at 31st March, 2015	As at 31st 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	-	-
<b>Total</b>	<b>12,690,001</b>	<b>11,737,101</b>	<b>11,737,101</b>	<b>-</b>	<b>408,387</b>

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 authorized 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.





## BRAHMAPUTRA CRACKER AND POLYMER LIMITED

### Note : 4: Long-term borrowings details

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

₹ in '000

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>(A) Secured</b>		
(a) Bonds/debentures	-	-
(b) Term loans		
(i) From Banks		
State Bank of India	10,410,035	1,538,535
<b>Total</b>	<b>10,410,035</b>	<b>1,538,535</b>
<p>(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 131 bighas of Govt. land in possession of the company but title deed yet to be transferred).</p> <p>Terms of Repayment : Repayment of loan is envisaged in 96 monthly installments commencing after moratorium period of 2 years from SCOD.</p> <p>Rate of interest : SBI Base rate plus 0.45 % i.e 10.45 % as on 31st March,2015.</p>		
<b>(ii) Others:</b>		
Oil Industries Development Board	9,357,500	8,761,950
Less: Current maturity transferred to current liabilities	721,250	408,750
	<b>8,636,250</b>	<b>8,353,200</b>
<p>(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 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 OIIB, has been secured by corporate gurantee of GAIL,OIL,NRL along with back to back gurantee by BCPL to GAIL for ₹ 250 Cr).</p> <p>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.</p> <p><b>Note:</b> An amount of ₹ 721,250,000/- payable within next 12 months, has been transferred to "Other current liabilities" at Note no.7.</p>		
Oil India Limited	2,500,000	2,500,000
Less: Current maturity transferred to current liabilities	312,500	-
	<b>2,187,500</b>	<b>2,500,000</b>
<p><b>Note:</b> An amount of ₹ 312,500,000/- payable within next 12 months, has been transferred to "Other current liabilities" at Note no.7.</p> <p>(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 131 bighas of Govt. land in possession of the company but title deed yet to be transferred).</p> <p>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.</p> <p>Rate of interest: Base rate of SBI plus 0.50 % to be reset every year i.e 10.50 % as on 31st March,2015.</p>		
<b>(B) Unsecured:</b>		
	-	-
<p>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to (A) &amp; (B)</p>		
	-	-
<b>Total</b>	<b>21,233,785</b>	<b>12,391,735</b>





## BRAHMAPUTRA CRACKER AND POLYMER LIMITED

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

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

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 tem loans and advances at Note no.15.





## BRAHMAPUTRA CRACKER AND POLYMER LIMITED

**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 31st March, 2015		As at 31st March, 2014
<b>(a) Current Maturities of Long -term debt</b>				
Loan-OIDB		721,250		408,750
Loan-OIL		312,500		-
<b>(b) Other payables</b>				
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
<b>(c) Payables against capital works &amp; supplies</b>				
Suppliers (Indegenous)	105,271		68,940	
Suppliers & Consultant (Foreign )	172,307		158,223	
Contractors	944,267	1,221,845	989,528	1,216,691
<b>(d) Money due for adjustment -Govt. Of Assam</b>		1,497		1,397
<b>Total</b>		<b>4,379,812</b>		<b>3,878,518</b>

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.A of Part I of Schedule III to the Companies Act, 2013.

₹ in '000

Particulars		As at 31st March, 2015		As at 31st March, 2014
<b>(a) Provision for employee benefits:</b>				
Provision for other employee benefits (Leave salary)		452		135
<b>(b) Provision - Others:</b>				
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
<b>Total</b>		<b>3,132,865</b>		<b>2,909,444</b>





**BRAHMAPUTRA CRACKER AND POLYMER LIMITED**

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
<b>Tangible Assets:(A)</b>										
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
<b>Total : (A)</b>	<b>2,629,588</b>	<b>527,039</b>	<b>52,174</b>	<b>3,104,453</b>	<b>291,285</b>	<b>127,032</b>	<b>470</b>	<b>417,847</b>	<b>2,338,303</b>	<b>2,686,606</b>
<b>Intangible Assets : (B)</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
<b>Total : (B)</b>	<b>84,605</b>	<b>11,283</b>	<b>24</b>	<b>95,864</b>	<b>7,454</b>	<b>3,030</b>	<b>-</b>	<b>10,485</b>	<b>77,151</b>	<b>85,379</b>
<b>Current Years Totals-2014-15</b>	<b>2,714,193</b>	<b>538,322</b>	<b>52,198</b>	<b>3,200,317</b>	<b>298,740</b>	<b>130,062</b>	<b>470</b>	<b>428,332</b>	<b>2,415,454</b>	<b>2,771,985</b>
<b>Previous Years Totals-2013-14</b>	<b>1,927,590</b>	<b>786,815</b>	<b>211</b>	<b>2,714,193</b>	<b>214,204</b>	<b>78,514</b>	<b>6,021</b>	<b>298,740</b>	<b>1,713,385</b>	<b>2,415,454</b>

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 1.31 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.





**BRAHMAPUTRA CRACKER AND POLYMER LIMITED**

Note : 10 : Capital Work In Progress

₹ in '000

SL No.	Particulars	As at 31st March, 2015	As at 31st 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	<b>CWIP-Construction stock :</b>		
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
	<b>Total</b>	<b>56,698,857</b>	<b>55,900,478</b>

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.





## BRAHMAPUTRA CRACKER AND POLYMER LIMITED

**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 31st March, 2015	As at 31st March, 2014
<b>(a) Capital Advances</b>		
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	-	-
	<b>20,994,407</b>	<b>13,686,651</b>
<b>(b) Security Deposits</b>		
Secured, considered good	-	-
<b>(c) Loans and advances to related parties (refer note (ii) below)</b>		
Secured, considered good	-	-
<b>(d) Other loans and advances</b>		
Secured, considered good		
-Cenvat	3,144,342	2,335,065
-Cenvat-Deferred	748,518	696,639
	<b>3,892,860</b>	<b>3,031,704</b>
<b>Total</b>	<b>24,887,267</b>	<b>16,718,355</b>

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





BRAHMAPUTRA CRACKER AND POLYMER LIMITED

**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 31st March, 2015	As at 31st 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
<b>Total</b>	<b>67,407</b>	<b>42,591</b>

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

Trade Receivable stated above include debts due by:

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

**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 31st March, 2015	As at 31st 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
<b>Total</b>	<b>1,102,019</b>	<b>588,504</b>





## BRAHMAPUTRA CRACKER AND POLYMER LIMITED

### 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 31st March, 2015		As at 31st March, 2014
<b>(a) Loans and advances to employees</b>				
Secured, considered good		1,055		1,038
Unsecured, considered good		-		-
Doubtful		-		-
<b>(b) Prepaid expenses</b>				
Insurance	78,856		138,817	
Gratuity	7,650	86,506	7,287	146,104
<b>(c) Others</b>				
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
<b>Total</b>		<b>276,121</b>		<b>406,771</b>

### 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 31st March, 2015		As at 31st March, 2014
<b>(a) Unbilled revenue</b>		-		-
<b>(b) Unamortised expenses</b>		52,971		47,434
<b>(c) Accruals</b>				
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
<b>(d) Others</b>				
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
<b>Total</b>		<b>1,571,814</b>		<b>1,744,211</b>

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





BRAHMAPUTRA CRACKER AND POLYMER LIMITED

Note 17: Other Income

₹ in '000

Particulars	For the Year ended 31st March,2015	For the Year ended 31st 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	For the Year ended 31st March,2015	For the Year ended 31st 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	-





## BRAHMAPUTRA CRACKER AND POLYMER LIMITED

### 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 1<sup>st</sup> 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 1<sup>st</sup> 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.



6. 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
<b>Receivable as at 31.03.2015</b>	<b>18,75,76,791</b>	<b>20,69,49,567</b>

**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 in ₹
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
<b>Total</b>	<b>12,32,46,532</b>

**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" sunder "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
<b>TOTAL :</b>	<b>722.89</b>	<b>1184.39</b>

## 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:

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/-	NIL
Equity Share Contribution	NIL	NIL
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.	NIL	₹ 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	NIL	NIL
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/-	NIL
Amount outstanding for purchase of Gas(OIL)	₹1,38,42,902/-	NIL
Equity Share Contribution	NIL	₹ 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)	NIL	NIL

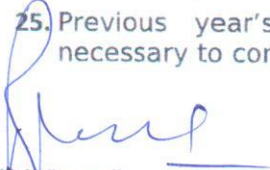
### 23. Segment Reporting (AS 17)


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.

  
(P.N. Prasad)  
Managing Director

  
(O.P. Tailor)  
Director Finance and CFO

  
(Ravi Das Sen)  
Company Secretary

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

  
(Devajit Sharma)  
Partner  
Mem. No:052268

Place: New Delhi  
Date: 29.05.2015





## BRAHMAPUTRA CRACKER AND POLYMER LIMITED

### 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 the 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

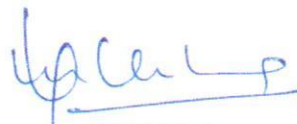
a. Prepaid expenses and prior period expenses/income up to ₹ 1.00 lakh in each case will be charged to relevant heads of account of the current year.

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.

  
(P.N. Prasad)  
Managing Director

  
(O.P. Tailor)  
Director Finance and CFO

  
(Rull Das Sen)  
Company Secretary

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

  
(Devajit Sharma)  
Partner  
Mem. No: 052268

Place: New Delhi  
Date: 29.05.2015





**BRAHMAPUTRA CRACKER AND POLYMER LIMITED**  
INCIDENTAL EXPENSES DURING CONSTRUCTION

₹ In '000

Particulars	As on 31st March, 2015	As on 31st 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	-	-
<b>Total</b>	<b>9,201,856</b>	<b>6,238,181</b>

**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
<b>Total</b>	<b>92,933</b>	<b>124,914</b>
<b>Net Incidental Expenses</b>	<b>9,108,923</b>	<b>6,113,267</b>

