

33rd Annual Report 2006-07

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Bongaigaon Refinery & Petrochemicals Ltd.

(A group company of IndianOil)

Board of Directors



Shri Sarthak Behuria
Chairman



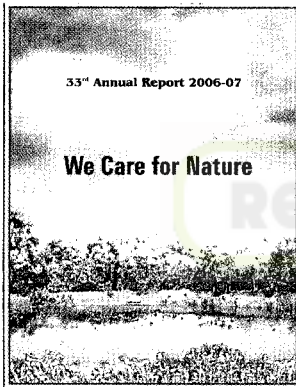
Shri A.K. Sarmah
Managing Director



Shri A. Saran
Director (Operations)



Shri T.V. John
Director (Finance)



BRP
Bongalgaon Refinery & Petrochemicals Ltd.
A group company of IndianOil



Shri P.C. Sharma
Director

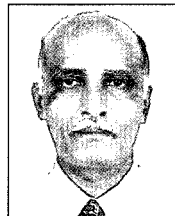


Shri A.M. Uplenchwar
Director

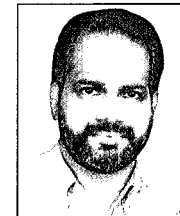


Shri P.K. Goyal
Director

An active player in the hydrocarbon sector,
BRPL recognises protection
of environment as a core commitment
of its business.



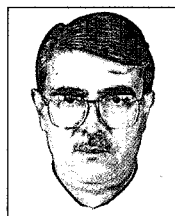
Shri G. Bhanumurthy
Director



Shri V.P. Joy
Director



Shri Maninder Singh
Director



Shri J.L. Raina
Director



Prof. Sougata Ray
Director



Dr. D.N. Buragohain
Director

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NOTICE

NOTICE IS HEREBY GIVEN THAT the Thirty-third Annual General Meeting of the Shareholders of Bongaigaon Refinery & Petrochemicals Limited will be held on **Saturday, the 8th September, 2007 at 8.30 AM** at the registered office of the Company at Dhaligaon, Dist. Chirang [Assam] to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account of the Company for the year ended 31st March, 2007 and the Audited Balance Sheet as on that date along with the Report of the Directors, the Auditors' Report and the comments of the Comptroller & Auditor General of India in terms of Section 619 of the Companies Act, 1956.
2. To declare dividend.
3. To appoint a Director in place of Prof. Sougata Ray, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri J L Raina, who retires by rotation and being eligible, offers himself for reappointment.

5. To appoint a Director in place of Dr. D N Buragohain, who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

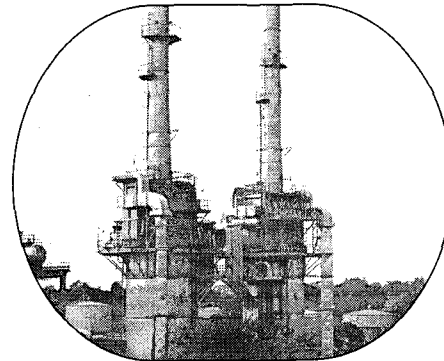
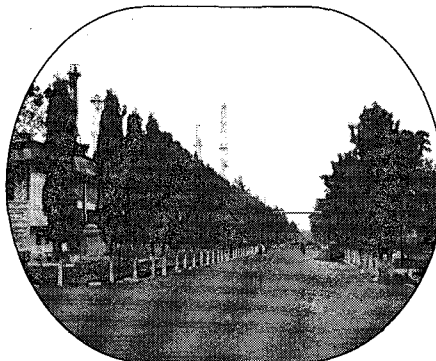
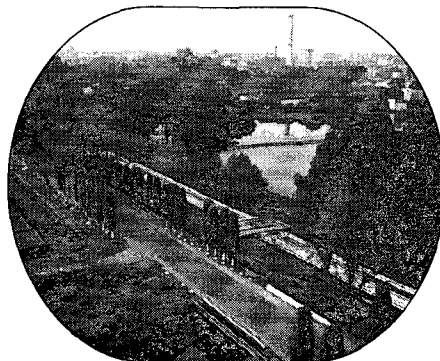
6. To pass the following resolution as Ordinary Resolution with or without modifications:

"RESOLVED THAT Shri T V John, who was appointed as a Director of the Company with effect from 01.12.2006 and holds office upto the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation. **PROVIDED THAT** the tenure of appointment of Shri T V John as a Director of the Company shall however be subject to the provisions of Article 105 of the Articles of Association of the Company."

By order of the Board of Directors
BONGAIGAON REFINERY & PETROCHEMICALS LTD.

V N Murthy
Company Secretary

Place : Delhi
Date : July 25, 2007



NOTES

1. Explanatory Statement prepared pursuant to Section 173 of the Companies Act, 1956 in respect of special business item 6 is annexed.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and on a poll, to vote instead of himself. Such a proxy need not be a member of the Company. Proxies in order to be valid and effective must be received at the registered office of the Company not later than 48 hours before the meeting. A blank Proxy Form is enclosed.
3. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the Registered Office of the Company on all working days except holidays between 1000 hours to 1200 hours upto the date of Annual General Meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 23rd August, 2007 to 8th September, 2007 [both days inclusive] for the purpose of ascertaining the eligibility for payment of dividend for the year 2006-07.
5. The dividend payable on equity shares, if approved by the members, will be paid to those members whose names appear (a) as member in the Register of Members of the Company as on 8th September, 2007 and (b) as beneficial owners as on 22nd August, 2007 as per the beneficial owners position to be received from National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL).
6. Pursuant to the provisions of Section 205A of the Companies Act, 1956, as amended, dividend for the financial year ended 31st March, 1995 and thereafter, which remains unpaid or unclaimed for a period of 7 years have to be transferred to the Investor Education and Protection Fund of the Central Government. Accordingly, the amount of unpaid/unclaimed dividend lying in the unpaid dividend account for the years 1994-95, 1995-96, 1996-97, 1997-98 and 1998-99 have been transferred to the Investor Education and Protection Fund of the Central Government on 25.11.2002, 03.12.2003, 02.12.2004, 26.11.2005 and 24.11.2006 respectively. **The Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended 31st March, 2000 or any subsequent financial years are requested to make their claim with the Company's Share Transfer Agent or at the registered office of the Company. It may also be noted that once the unclaimed dividend is transferred to the Investor Education and Protection Fund of Central Government, as above, no claim shall lie in respect thereof. Unpaid/unclaimed dividend for the year 1999-2000 is due for transfer to the Investor Education and Protection Fund of Central Government on 09.11.2007 after expiry of the seven-year period.**
7. Members holding shares in physical form are requested to notify immediately, change in their address, if any, to the

Company Secretary at the registered office or to the Share Transfer Agent of the Company. Similarly, members holding shares in Electronic/Demat form are requested to notify any change of address to their respective Depository Participant (DP) with whom the demat account is maintained as the Company is obliged to use only the data provided by NSDL/CDSL.

8. Facility of making nomination is available to the shareholders in respect of the shares held by them. Interested shareholders can obtain the Nomination Form from the Company's Share Transfer Agent.

9. REAPPOINTMENT OF DIRECTORS RETIRING BY ROTATION:

Re-appointment of Prof. Sougata Ray:

Prof. Sougata Ray, Director shall retire by rotation at this Annual General Meeting and being eligible offers himself for re-appointment. Business item No. 3 of this Annual General Meeting relates to retirement and reappointment of Prof. Sougata Ray. Brief profile of Prof. Sougata Ray is given below.

Prof. Sougata Ray was first appointed as Director of the Company with effect from 05.04.2005. He was re-appointed as Director, liable to retire by rotation in the 31st Annual General Meeting held on 31st August, 2005.

Prof. Sougata Ray is an Independent Director in terms of clause 49 of the listing agreement.

Prof. Sougata Ray, born on 10th September, 1968, is a Professor on Strategic Management of Indian Institute of Management, Calcutta. He has obtained Ph. D (Fellow) from Indian Institute of Management, Ahmedabad with specialization in Strategy & International Management.

He has 18 years of experience in industry and academics as an executive, researcher, teacher, administrator and corporate advisor. He has also served as visiting researcher and professor in a number of well-known business schools in Asia, Europe and North America.

He was an independent director on the Board of IBP Co. Ltd. He was the Chairman of the Audit Committee and the Shareholders/Investors Grievance Committee of the Board of Directors of IBP Co. Ltd.

He does not hold any shares of BRPL either in his own name or by/for other persons on a beneficial basis.

None of the Directors except Prof. Sougata Ray is interested or concerned in the resolution.

Re-appointment of Shri J L Raina:

Shri J L Raina, Director shall retire by rotation at this Annual General Meeting and being eligible offers himself for re-appointment. Business item No. 4 of this Annual General Meeting relates to retirement and reappointment of Shri J L Raina. Brief profile of Shri J L Raina is given below.



Shri J L Raina was first appointed as Director of the Company with effect from 05.04.2005. He was re-appointed as Director, liable to retire by rotation in the 31st Annual General Meeting held on 31st August, 2005.

Shri J L Raina is an Independent Director in terms of clause 49 of the listing agreement.

Shri J L Raina was the Chairman & Managing Director of IndianOil Blending Ltd. during the period 2000-2003. He also worked in various units of Indian Oil Corporation Limited in various capacities and has wide experience in diverse areas of operations.

Shri J L Raina is presently the Pro-Vice Chancellor of the University of Petroleum & Energy Studies, Dehra Dun. Shri J L Raina was born on 11th November, 1943.

Shri J L Raina is not a Director of any other company. He is not a member of any Committee of Board of any other Company

He does not hold any shares of BRPL either in his own name or by/for other persons on a beneficial basis.

None of the Directors except Shri J L Raina is interested or concerned in the resolution.

Re-appointment of Dr. D N Buragohain :

Dr. D N Buragohain, Director shall retire by rotation at this Annual General Meeting and being eligible offers himself for re-appointment. Business item No. 5 of this Annual General Meeting relates to retirement and reappointment of Dr. D N Buragohain. Brief profile of Dr. D N Buragohain is given below.

Dr. D N Buragohain was first appointed as Director of the Company with effect from 30.12.2005. He was re-appointed as Director, liable to retire by rotation in the 32nd Annual General Meeting held on 8th September, 2006.

Dr. D N Buragohain is an Independent Director in terms of clause 49 of the listing agreement.

Dr. D N Buragohain is a B. Tech (Hons) (Civil) and M. Tech (Structures) from I.I.T., Bombay. He did his Ph. D., from I.I.T., Bombay and Post-doctoral Research from the University of Wales, Swansea. He was born on 01.02.1941.

He has to his credit vast experience of more than 35 years as an academician, teacher, researcher and administrator. He served IIT Bombay and IIT Guwahati in various capacities from 1968 to 2003.

He was the Project Director of I.I.T., Guwahati from February 1994 to June 1994 and Founder Director of I.I.T., Guwahati from July, 1994 to March, 2003.

He has to his credit a large numbers of publications including papers presented in international conferences abroad. He was also involved in development and transfer of technology as well as in large numbers of industrial consultancy.

Dr. D N Buragohain is presently not a Director of any other company. He is not a member of any Committee of Board of any other Company. He does not hold any shares of BRPL either in his own name or by/for other persons on a beneficial basis.

None of the Directors except Dr. D N Buragohain is interested or concerned in the resolution.

10. It may be noted that in terms of Section 224 (8) (aa) of the Companies Act, 1956 shareholders in the 28th AGM held on 21st September, 2002 authorised the Board of Directors to fix the remuneration of Statutory Auditors from time to time. In terms Section 619 (2) of the Companies Act, 1956 the Comptroller & Auditor General of India shall appoint the Auditors of the Company. Requisite disclosure has been made in the Directors' report on the remuneration fixed for the Auditors.
11. Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting.
12. Members who hold shares in dematerialised form are requested to indicate their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
13. Members should bring their copy of the 33rd Annual Report to the venue of the meeting.

By order of the Board of Directors
BONGAIGAON REFINERY & PETROCHEMICALS LTD.

V N Murthy
Company Secretary

Place : Delhi
Date : July 25, 2007



EXPLANATORY STATEMENT PURSUANT TO SECTION 173[2] OF THE COMPANIES ACT, 1956

Item No. 6

Shri T V John has been appointed as an additional Director as well as the Director (Finance) on the Board of BRPL with effect from 01.12.2006. In terms of the provisions of Section 260 of the Companies Act, 1956 he will hold the office of Director upto the date of this Annual General Meeting. The Company has received notice in writing from a member pursuant to the provisions of Section 257 of the Companies Act, 1956 signifying his intention to propose Shri T V John as candidate for the office of Director. Shri T V John, if appointed, will be liable to retire by rotation under sections 255 and 256 of the Companies Act, 1956. However, the tenure of his appointment will be subject to the provisions of Article 105 of the Articles of Association of the Company.

Shri T V John, born on 07.03.1949, is a Commerce Graduate and Chartered Accountant.

Immediately prior to assumption of charge as Director (Finance) of BRPL, Shri T V John was the General Manager (Finance) in BRPL. Shri T V John joined BRPL in January, 1976 and worked in BRPL in various capacities and rose to the position of General Manager (Finance) in December, 2004.

Shri T V John has vast experience of more than 30 years.

Shri T V John is not a Director of any other company. He is not a member of any Committee of Board of any other Company. He holds one hundred fifty equity shares of BRPL. No further share of BRPL is held by him either in his own name or by/ for other persons on a beneficial basis.

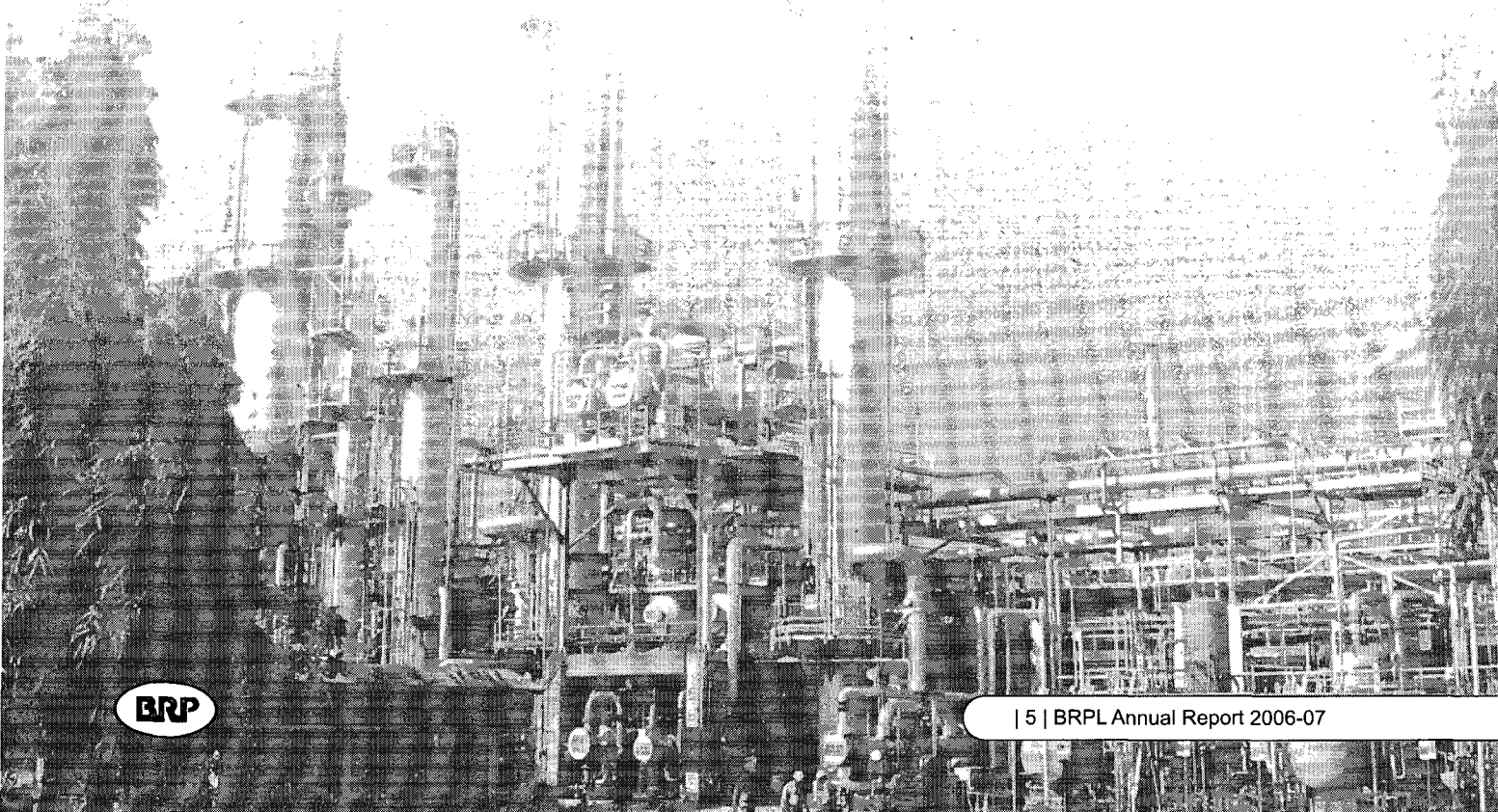
None of the Directors except Shri T V John is interested or concerned in the resolution.

By order of the Board of Directors
BONGAIGAON REFINERY & PETROCHEMICALS LTD.

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V N Murthy
Company Secretary

Place : Delhi
Date : July 25, 2007



BOARD OF DIRECTORS (AS ON JULY 25, 2007)

Shri Sarthak Behuria Chairman Indian Oil Corporation Limited	Chairman
Shri A K Sarmah	Managing Director
Shri A Saran	Director (Operations)
Shri T V John	Director (Finance)
Shri P C Sharma, IAS Chief Secretary to the Government of Assam	Director
Shri V P Joy, IAS Director, Ministry of Petroleum & Natural Gas	Director
Shri Maninder Singh, IAS Director, Ministry of Petroleum & Natural Gas	Director
Shri A M Uplenchwar Director (Pipelines), Indian Oil Corporation Limited	Director
Shri P K Goyal Executive Director-Finance, Indian Oil Corporation Limited	Director
Shri G Bhanumurthy Executive Director Guwahati Refinery, Indian Oil Corporation Limited	Director
Shri J L Raina Pro. Vice Chancellor University of Petroleum & Energy Studies, Dehradun	Director
Prof. Sougata Ray Professor, Indian Institute of Management, Calcutta	Director
Dr. D N Buragohain Ex-Director, IIT, Guwahati	Director

Company Secretary
Shri V N Murthy

REGISTERED OFFICE :

PO : Dhaligaon; Dist. Chirang
(Assam)-783 385

BANKERS :

State Bank of India
State Bank of Hyderabad
United Bank of India
UCO Bank

SHARE TRANSFER AGENT :

Karvy Computershare Private Limited
17-24, Vittal Rao Nagar, Madhapur
Hyderabad-500 081

STATUTORY AUDITORS :

M/s S. Ghose & Co., Chartered Accountants,
11, Old Post Office Street, Kolkata-700 001

COST AUDITORS :

M/s R J Goel & Co., Cost Accountants,
31, Community Centre, Ashok Vihar, Phase-I
Delhi - 110 052

PERFORMANCE AT A GLANCE

YEAR ENDED 31ST MARCH	2006-07 US \$ million	2006-07 Rs. Lakh	2005-06 Rs. Lakh	2004-05 Rs. Lakh	2003-04 Rs. Lakh	2002-03 Rs. Lakh
PHYSICAL						
Crude throughput (Refinery) (MMT)	2.067	2.067	2.356	2.311	2.127	1.463
Capacity Utilisation (Refinery) (%)	88	88	100	98	91	62
Distillate yields(Refinery) (%)	85.99	85.99	84.40	84.14	85.82	82.77
Fuel & Loss (Refinery) (%)	5.40	5.40	5.42	5.46	5.60	6.50
FINANCIAL						
What we owe						
Share Capital	46	19982	19982	19982	19982	19982
Reserves & Surplus	179	77497	67182	55858	35312	22294
	225	97479	87164	75840	55294	42276
Less : Deferred Revenue Expenditure remaining unammortised	-	-	25	50	287	385
Net Worth	225	97479	87139	75790	55007	41891
Borrowings	24	10467	8729	6246	7082	17775
	249	107946	95868	82036	62089	59666
What we own						
Gross Fixed Assets	234	101457	96261	94066	92758	88450
Less : Depreciation	144	62681	59058	55810	52599	49562
Less : Impairment Loss	13	5468	-	-	-	-
Net Fixed Assets	77	33309	37203	38256	40159	38888
Net Current Assets	128	55459	51727	40802	22055	14820
Capital Employed	205	88767	88930	79058	62214	53708
Construction-Work-In-Progress	34	14588	6139	3734	1229	4951
Investment	18	7857	7849	6683	6616	6519
Deferred Tax (net)	(8)	(3266)	(7051)	(7438)	(7971)	(5512)
	249	107946	95868	82037	62089	59666
What we earned						
Turnover (incl receipt from pool account)	1481	642596	628864	499026	319619	205668
Other Income	10	4503	3707	2727	2237	2371
	1491	647099	632571	501753	321856	208039
What we spent						
Variable Cost	1151	499482	493541	348957	227215	136608
Fixed Cost (Other than Interest, Depreciation & Impairment loss)	49	21426	16614	15231	14099	11293
Depreciation /Write Off	8	3638	3405	3423	3109	3162
Impairment Loss	13	5468	-	-	-	-
Cost of Production	1221	530014	513560	367611	244423	151063
(Accretion)/Decretion in Stock	(7)	(3207)	(5027)	(4913)	(9756)	(984)
Cost of Sales	1214	526807	508533	362698	234667	150079
Interest	3	1205	1390	363	1516	2589
Freight & CST Under recovery	62	26995	30370	26425	13557	9084
Other Cost (Excise Duty, Sales Tax, Octroi, Cess etc.)	148	64427	65551	44573	28128	15323
Prior Period Adjustments-Dr./(Cr.)	-	116	-	(24)	1	193
Extra Ordinary Items -Dr./(Cr.)	-	-	-	-	-	-
	1427	619510	605844	434035	277869	177268

PERFORMANCE AT A GLANCE (CONTD.)

YEAR ENDED 31ST MARCH	2006-07 US \$ million	2006-07 Rs. Lakh	2005-06 Rs. Lakh	2004-05 Rs. Lakh	2003-04 Rs. Lakh	2002-03 Rs. Lakh
WHAT WE SAVED						
Profit before Tax	64	27550	26727	67718	43987	30771
Provision for Tax	21	9052	9251	19888	13613	12926
Profit after Tax	43	18498	17476	47830	30374	17845
Value Addition	56	24148	17686	67061	38304	36028
Internal Resource Generation	55	23819	20494	50720	35942	21116
Contribution to Exchequer	221	95773	100535	86163	49052	19974
Dividend	16	6994	5395	23978	15386	5395
Dividend Tax	3	1189	757	3274	1971	691
Dividend Payout (%)	38%	38%	31%	50%	51%	30%
PER SHARE DATA						
Earning Per Share (Rs.)	0.21	9.26	8.75	23.94	15.20	8.93
Dividend Per Share (Rs.)	0.08	3.50	2.70	12.00	7.70	2.70
Dividend (%)	35%	35%	27%	120%	77%	27%
Book Value Per Share (Rs.)	1.12	49	44	38	28	21
Year end Closing Market Price	0.94	40.85	65.65	90.45	77.55	14.05
Price Earning Ratio	4.41	4.41	7.51	3.78	5.10	1.57
Market Capitalisation	188	81626	131180	180735	154959	28074
RATIOS/FINANCIAL INDICATORS :						
Profit before Interest & Tax						
- to Net Sales (%)	4.97	4.97	4.99	14.98	15.50	17.42
- to Net Worth (%)	29.50	29.50	32.27	89.83	82.72	79.64
- Equity (%)	143.90	143.90	140.71	340.71	227.72	166.95
- to Capital Employed (%)	32.39	32.39	31.62	86.12	73.14	62.11
Net Profit after Tax						
- to Sales Turnover(%)	2.88	2.88	2.78	9.58	9.50	8.68
- to Net Worth (%)	18.98	18.98	20.06	63.11	55.22	42.60
- Equity (%)	92.57	92.57	87.46	239.37	152.01	89.31
- to Cap. Employed (%)	20.84	20.84	19.65	60.50	48.82	33.23
Other Income to total revenue	0.70	0.70	0.59	0.54	0.70	1.14
Cost of Sales : Inventory (Times)	7.36	7.36	7.05	5.01	4.98	5.82
Sales : Debtors (Times)	27.96	27.96	25.39	28.63	35.46	16.28
Net Working Capital to Sales (%)	8.63	8.63	8.23	8.18	6.90	7.21
Capital Employed to Sales (%)	13.81	13.81	14.14	15.84	19.47	26.11
Fixed Asset Turnover Ratio	19.29	19.29	16.90	13.04	7.96	5.29
Investment to total Assets	0.09	0.09	0.09	0.08	0.11	0.12
Current Ratio	1.91 :1	1.91 :1	1.87 :1	1.61 :1	1.48 :1	1.23 :1
Debt Equity (Net Worth) (%)	10.74	10.74	10.02	8.24	12.87	42.43
MANPOWER						
Number of Employees	1720	1720	1723	1741	1761	1780
Sale per Employee	0.86	374.25	364.98	286.63	181.50	115.54
Value Addition per employee	0.03	14.06	10.26	38.52	21.75	20.24