



# वार्षिक रिपोर्ट

## ANNUAL REPORT

2010 - 2011



ब्रिज एण्ड रूफ कम्पनी (इण्डिया) लिमिटेड  
**BRIDGE & ROOF CO. (INDIA) LTD.**

भारत सरकार का एक उद्यम  
*A Government of India Enterprise*

एक मिनीरत्न कम्पनी  
*A Miniratna Company*



भारत सरकार  
भारी उद्योग एवं लोक उद्यम मंत्रालय  
भारी उद्योग विभाग  
नई दिल्ली-110 011  
GOVERNMENT OF INDIA  
MINISTRY OF  
HEAVY INDUSTRIES & PUBLIC ENTERPRISES  
DEPARTMENT OF HEAVY INDUSTRY  
NEW DELHI-110 011

No.3(19)/2009-PE.IV

New Delhi, dated the 21<sup>st</sup>, Sept, 2010.

To

Shri Mukesh Jha,  
Chairman & Managing Director,  
Bridge & Roof Co. (India) Ltd.  
Kolkata

Sub: Granting of Mini Ratna Category-I Status to Bridge & Roof  
Co. (India) Limited.

Sir,

I am directed to convey approval of the Competent Authority  
granting Mini Ratna Category I status to Bridge & Roof Company  
(India) Ltd.

2. The enhanced powers as available to a Mini Ratna Category I  
company will be exercised by B&R only after the Board of  
Directors of the company is restructured by inducting at least three  
Non-Official Directors and in accordance with and subject to the  
conditions and guidelines issued on the subject by Government  
from time to time.

Yours faithfully,

( Ajay Kumar )

Under Secretary to the Govt. of India



**B&R Recipient of ISO 9001: 2008**

Certificate from DNV, Holland for

- Design, Supply, Fabrication, Erection, Installation & Commissioning of Storage Tanks
- Design, Manufacture & Supply of Bailey Type Unit Bridge
- Manufacture & Supply of Railway Wagons, Railway Bridge Girder & Bunk House



# वार्षिक रिपोर्ट Annual Report 2010-2011

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## BOARD OF DIRECTORS

Shri Mukesh Jha	Chairman-cum- Managing Director
Shri Chandan Choudhuri	Director (Finance)
Shri M.K.Singh	Director (Project Management)
Shri D.Jana	Government Nominee Director
Shri G.S.Gill	Independent Director

## COMPANY SECRETARY

Smt.Rakhee Kar

## BANKERS

- 1.State Bank of India
- 2.Bank of Maharashtra
- 3.Bank of Baroda
- 4.Indian Bank
- 5.ICICI Bank
- 6.YES Bank
- 7.Punjab National Bank
- 8.Allahabad Bank
- 9.Bank of India

## AUDITORS

M/s. R.Kothari & Co.  
M/s. Basu Banerjee & Co.

: Chartered Accountants  
: Chartered Accountants

## REGISTERED OFFICE

“ Kankaria Centre”, 5th Floor  
2/1, Russel Street, Kolkata-700071

## WORKS & ADMINISTRATIVE OFFICE

427/1, Grand Trunk Road  
Howrah 711101

## LEGAL ADVISORS

Leslie & Khettry

## Zonal Offices

Mumbai:-

—“ Priyadarshini”, 1st Floor  
Eastern Express Highway, Mumbai 400 022  
—“ Bhakti Bhavan”, 1st Floor  
Plot No.20, Sindhi Society, CST Road, Chembur,  
Mumbai 400 071

Chennai:-

K. R. Buildings, 2nd Floor, New No. 12 (Old No. 124A),  
Lattice Bridge Road, Adyar  
Chennai- 600020

Delhi : -  
(Liaison Office)

840, Chirag Delhi, New Delhi 110 017

## DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2011

To,  
The Shareholders,

On behalf of the Board of Directors, I have great pleasure in presenting to you the Annual Report on the working of the Company, together with the Audited Accounts for the year ended 31<sup>st</sup> March 2011.

It was a milestone achievement for your company to attain Miniratna-Category I Status on 21<sup>st</sup> September 2010 vide Letter No. 3(19)/2009-PE.IV received from Ministry of Heavy Industries and Public Enterprises, Department of Heavy Industry, Government of India.

### TURNAROUND CPSE AWARD 2010 :

Bridge & Roof Co.(I) Ltd. has been the recipient of the Turnaround CPSE Award 2010 awarded by Chairman, BRPSE.



Bus Terminus & Commercial Building  
for Bengal Greenfield  
at Rajarhat, Kolkata

## 1.0 FINANCIAL PERFORMANCE :

### A) OPERATING RESULTS :

Salient features of Company's financial performance for the year under report vis-à-vis last year are as under:

	(₹ in crores)	
	2010-2011	2009-2010
Income	1333.49	1165.31
Gross Margin	107.57	88.03
Interest	6.65	10.30
Depreciation	13.83	13.62
Profit Before Tax	87.09	64.11
Provision for Taxation	29.49	23.78
Profit After Tax	57.60	40.33
Profit Available for Appropriation	57.68	42.00
Dividend	1.65	1.10
Tax on Dividend	0.27	0.18
Transfer to General Reserve	55.02	40.30

### B) DIVIDEND :

The Directors recommend a dividend of 3% -Three percent (last year 2% -Two percent) per Equity Share of ₹ 10/- each for the financial year ended 31<sup>st</sup> March, 2011, which if approved at the forthcoming Annual General Meeting, will be paid to all those Equity Shareholders whose names appear in the Register of Members as on 23<sup>rd</sup> September, 2011.

### C) CAPITAL :

Authorized capital of the company is ₹ 60 crores consisting of 6 crores Equity Shares of ₹ 10/- each.

Paid-up capital of the company as on 31<sup>st</sup> March, 2011, stands at ₹ 54.99 crores comprising of 5,49,87,155 equity shares of ₹ 10/- each, of which 5,46,27,155 equity shares are held by the President of India.

## 2.0 MANAGEMENT DISCUSSION AND ANALYSIS :

### A) PERFORMANCE :

The Company achieved a record turnover of ₹ 1333.49 crores during the year 2010-2011, being higher than ₹ 1165.31 crores achieved during the previous year. The Profit Before Tax was ₹ 87.09 crores as compared to ₹ 64.11 crores in the previous year. In spite of enormous competition particularly from private sector companies, the Company with its sustained efforts was able to achieve an outstanding and commendable performance during the year.

Activity-wise performance is reported below:

### PROJECT DIVISION :

Value of work done in Project activities during the year is ₹ 1285.09 crores as compared to ₹ 1109.96 crores last year. Important projects which are successfully completed during the year include -

Description	Location	Client	Value (₹ Crores)
Mechanical Works for Offsites and MS Block for Bina Refinery Project.	Bina (Madhya Pradesh)	Bharat Oman Refineries Ltd.	104.22
Civil, Architectural & Structural Steel Works for Coal Handling Plant package of Mejia TPP Unit - V & VI.	Mejia (West Bengal)	Bharat Heavy Electricals Limited	102.95
Civil, Architectural and Structural Steel Work of Bakreswar Thermal Power Project Unit 4 & 5 (MP-3).	Bakreswar (West Bengal)	Bharat Heavy Electricals Limited	79.77
Construction of Administrative Block, Library Block and Five Schools including Internal Water Supply and Sanitary Installations, Internal Electrical Works, Firefighting and External Development.	Dwarka (Delhi)	Guru Gobind Singh Indraprastha University	76.73
Construction of all Civil, Steel Structure & Architecture Works in main plant area at Barsingsar TPP of M/s NLCL	Bikaner (Rajasthan)	Bharat Heavy Electricals Limited	53.91
Civil & Structural Works for (COT).	Mundra (Gujarat)	HPCL-Mittal Pipelines Ltd.	52.10
Processing, Supply & Transportation to Site of Approved Hot Mix Product (Project - 4 Laning of Palsit - Dankuni Section of NH-2 in the state of West Bengal).	Palsit (West Bengal)	EMAS Expressway Pvt. Ltd.	33.23

### HOWRAH WORKS :

During the year 2010-2011, performance of workshop at Howrah improved significantly. Manufacturing work executed during this financial year includes the completion of the following major orders received from various clients:

- Manufacture and supply of 116 Nos. BOBYN Wagons & 55 Nos. BOXNHL Wagon for Railway Board New Delhi of Indian Railways. (Value ₹ 20.66 crores).
- Manufacture and supply of 2666 MT of Bailey Bridge components for Royal Government of Bhutan, Private Parties of Tripura & Andaman, PHPA, AP PWD, HP PWD, Assam PWD. (Value ₹ 26.58 crores).
- Fabrication and Supply of 1290 MT of Railway Bridge Girders of different spans for East Central & South Eastern Railway, Ircon International Ltd. (Value ₹ 12.91 crores)
- Manufacture & Supply of 40 Nos. Bunk Houses for BRBCL, Reliance Infra, NTPC, B&R Project sites. (Value ₹ 2.1 crores)

### B) RISK MANAGEMENT :

Your Company has put in place Risk Management System with the objective of having a balance approach towards business plan and to mitigate the associated risks through better management practices, resulting in greater degree of confidence amongst various stakeholders and adhering to good Corporate Governance practice. Risks associated with Operations, Environment, Finance, Human Resources, Legal, Information Security etc. and the degree of impact financially, it's likely effect on the assets, facilities and third parties are assessed regularly. In order to mitigate losses arising out of perceived risks, the procedures being adopted to contain the risks, as also the practices adopted during emergencies, including the communication system and mode of disseminating information are periodically reviewed and updated to minimize the impact on your Company. The Risk Mitigation and Strategy Plan in accordance with the Memorandum of Understanding signed between your company and the Ministry of Heavy Industries is in draft stage to be implemented from financial year 2011-12.



Manufacture of Bailey Type Unit Bridge at Howrah Workshop

### C) CAPITAL EXPENDITURE :

Company has made capital expenditure of ₹ 18.34 crores during the year mainly towards purchase of construction equipment.

### D) FOREIGN EXCHANGE EARNINGS & OUTGO :

Foreign Exchange Earnings during the year was ₹ 10.54 crores. Expenditure in Foreign Currency for import of raw materials, capital goods etc. amounted to ₹ 12.23 crores as indicated in 'Notes Forming Part of the Accounts, Schedule 8.2, 1(d), (e) and (f).

In compliance with the requirements of Section 217(1)(e) of Companies Act, 1956, the particulars of Foreign Exchange outgo are appended in Annexure -I Schedule (Form- 'C') forming part of this report.

### E) ORDER BOOKING POSITION :

Despite severe competition mainly from Private Sector companies, the Company with its sustained efforts secured order worth ₹ 1331.73 crores during the year 2010-2011 from Private as well as Public Sector clients compared to previous years order booking of ₹ 1353.15 Crores.



White Oil Terminal at HPCL Vizag



Riveted Steel Girder Bridge at Bilaspur for S.E. Railway

Major Orders booked during the year:-

## PROJECTS :

Description	Location	Client	Value (₹ Crores)
Power Block-2 Package- Piling, Civil, Architectural & Structural Work of Power Block Unit - 2 & other Misc. Work TPP.	Vizag (Andhra Pradesh)	Bharat Heavy Electricals Ltd.	156.70
Civil & Structural Works including Barricading Work for NHT/ CCR Project.	Mahul (Maharashtra)	Bharat Petroleum Corporation Ltd.	114.07
Mechanical Equipment, Piping, Structural and Painting Works for VGO-HDT Unit and Insulation Works of EPCM-2.	Paradip (Orissa)	Indian Oil Corporation Ltd.	103.61
Civil Work for Power House and Mill Building Foundations including TG, BFP, Mill and Other Foundations from Transformer Yard to Stack.	Lapanga (Orissa)	Aditya Aluminium	96.25
Equipment Erection and Piping Works for Alumina Refinery Project.	Doraguda (Orissa)	Utkal Alumina International Ltd.	95.74
Civil Work for Power House and Mill Building Superstructure and Permanent Roads & Drainage Project.	Lapanga (Orissa)	Aditya Aluminium	85.39
Erection, Testing, Commissioning & Trial Operation of Boiler, ESP, Boiler Auxilliaries & Power Cycle Piping of Unit No.6 at Anpara-D Thermal Power Plant.	Anpara (Uttar Pradesh)	Bharat Heavy Electricals Ltd.	61.34
Construction of Computer Centre and Central Library.	Agartala (Tripura)	National Institute of Technology	60.10
Collection, Transportation, Erection, Testing & Commissioning, Trial Operation & Handing over of Boiler and its Auxilliaries including ESP.	Raigarh (Chattisgarh)	Bharat Heavy Electricals Ltd.	55.72
Erection, Testing & Assistance for Commissioning Trial Operation and handing over of Boiler & ITS Auxiliaries. Nasik Thermal Power Project Block-2 (Unit 2 & 4) for India Bulls Power Ltd.	Nasik (Maharashtra)	Bharat Heavy Electricals Ltd.	48.57

## HOWRAH WORKS :

Description	Client	Value (₹ Crores)
Manufacture, Supply, Inspection & Transportation of 1 No. 70 ft. (SSR), 2 Nos. 80 ft. (DS), 2 Nos. 90 ft. (TS), 3 Nos. 100 ft. (TS), 1 No. 130 ft. (DD), 1 No. 140 ft. (TSR), 1 No. 180 ft. (DDR) span Bailey Type Unit Bridge having standard carriageway width of 3.277 Mtrs. Suitable for load class 24-R.	Royal Govt. of Bhutan	11.34
Manufacture, Supply & Transport of 1 No. 50 ft., 4 Nos. 80 ft., 3 Nos. 100 ft., 3 Nos. 120 ft. & 2 Nos. 180 ft. Bailey Type Unit Bridge having Standard Width Carriageway width 3.277 Mtrs. Suitable for IRC load class 40R	Punatsangchhu-1 Hydroelectric Project Authority/ Director General Border Roads/Himachal Sorang Power Pvt. Ltd./Lanco Infratech Limited /Other/Haryana Govt.	9.87
Supply & Fabrication of 40 Nos. BTPN Type and 25 Nos. BOBYN Type Eight Wheeler BG Bogie Railway Wagon	Indian Railways	5.68
Manufacture, Supply & Transportation of 1 No. 50 ft., 1 No. 100 ft., 4 Nos. 120 ft. and 1 No. 140 ft. span Bailey Bridge Components	Public Works Department	5.61
Design, Fabrication, Supply, Transportation & Delivery of 12 Nos. steel bridge girders ( 30 ft. to 80 ft.) suitable for broad gauge Railway Track in Sri Lanka	IRCON International Ltd.	3.50
Manufacture and supply of various types Bunk House of specific sizes	Aravali Power Company Pvt. Ltd. /Bharatiya Rail Bijlee Corpn. Ltd./Other / Reliance Infrastructure Ltd./ National Thermal Power Corporation Ltd.	1.24



## **F) ENERGY CONSERVATION :**

Continuous efforts to conserve energy are being taken by adopting various measures like person to person campaign to put-off lights, fans, A.C. Machines etc., wherever possible, and systematic periodical overhauling of all electrically operated machines. Energy Audits have also been conducted by External Experts followed by necessary corrective actions, as applicable.

A Report on Energy Utilisation is enclosed as per Annexure-II.

## **G) TECHNOLOGY, R&D AND QUALITY :**

In the present competitive market, the need to continuously update technology and upgrade the quality, alongwith R&D efforts, has been recognized by the company as supreme importance and the activities in these areas are being pursued with great strength. The Company with its sustained efforts has been continuing to develop new areas of its construction activities, update technology and upgrade quality standards. The Company has already established successful operation in the diversified areas such as : POT and POT Superstructure for Aluminium smelter, Furnaces and Heaters, Main Boiler Work in Thermal Power Station, Storage Silos for Alumina, Metro Railway, LSTK Projects etc.

The Company is now trying to diversify in other areas such as : Pumped Storage/Hydel Projects, Modernisation of Steel Plants, Fire Fighting System, LPG Bullet Tank, Flyover Construction, Construction of Higher Diameter Tanks (Above 79M). The Company has already been awarded ISO: 9001-2000 with respect to Tank Construction and ISO: 9001-2008 with respect to Manufacture of Bailey Bridge, Wagon, Railway Bridge Girder & Bunk House. The Surveillance Audit has been carried out successfully by External Auditor M/s DNV.

In compliance with the requirements of Section 217(1)(e) of Companies Act, 1956, the particulars of Research & Development, Technology Absorption and Adaptation are appended in Annexure-I Schedule (Form 'B') forming part of this report.

## **3.0 HUMAN RESOURCE DEVELOPMENT :**

During 2010-11, training and motivation of employees continues to be identified as most effective means for human resource development, the driving source behind all HRD initiatives taken in the Company. Apart from the usual performance & potential appraisal systems, increased emphasis is being given to identify the specific areas of improvement in tune with ever evolving operational requirements of the Company, leading to a focused plan of both institutional and on-the-job training.

Resultantly, Company's philosophy on corporate governance guided by transparency, accountability and integrity, continues to be practiced this year has translated into rejig of Enterprise Resource Planning system.

As a part of core HR strategy, promotion policy & procedures have been consolidated to identify in a selective way the right persons for the right job to meet the organizational priorities. On the front of compensation to the employees, various measures have been initiated to make a right mixture of employees' desires and Company's requirements. Against availability of positions out of attritions, filling up have been made both from upgradation of existing employees as also recruitment of deserving and experienced candidates to have a perfect blending to meet organizational goals.

In tune with the dynamic market scenario, a strategic training plan was put into operation following which 179 employees were imparted training focused on specific areas, besides standard on-the-job training procedures.

The Company has not lost a single working day on account of strike or lock-out during the year.

### **A) REPRESENTATION OF SC/ST AND DISABLED :**

The representation of SC, ST, OBC and Disabled persons in the overall employees strength continued to be maintained approximately at the same levels as reported during past years, barring some minor changes. The Company has witnessed improved representation of persons with Disabilities, especially in group 'C' and 'D' cadres.

The representation figures of aforesaid categories of employees of the Company are annexed in Annexure- III forming part of this annual report.

### **B) IMPLEMENTATION OF THE JUDGEMENTS/ORDERS OF THE CAT :**

The Company is yet to be notified by the Ministry of Law and Justice for coverage under the jurisdiction of Central Administrative Tribunal as an alternative judicial procedure for redressal of disputes. Accordingly related judgements of various courts are being implemented.

### **C) PROGRESSIVE USE OF HINDI :**

All possible efforts are made by the Company's Hindi Implementation Committee to comply with the Government Directives regarding "Progressive Use of Hindi" and to enhance awareness of employees regarding its use in the daily workings of the Company. To review and monitor the progress achieved in this regard, OLIC Meetings are held in each quarter. Regular Hindi Classes are conducted in the Company's premises to impart knowledge of Hindi to these non-Hindi knowing employees. So far 269 employees have already passed the Hindi 'Pragya' Examination upto November, 2010. 'Cash Awards' and 'Personal Pay' are granted to the employees for passing the Hindi Examinations as per Government Directives. "Rajbhasha Pakhwada" was observed from 14<sup>th</sup> to 28<sup>th</sup> September, 2010 and various Hindi Programmes/Competitions etc. were organized during the 'Pakhwada'. To create interest amongst employees, one Hindi word/phrase with its English equivalent is written on White Boards and displayed at prominent places in the office premises.

Company was awarded with the "Rajbhasha Shield" Puraskar by the Calcutta Town OLIC, Government of India, in its "Half-Yearly Meeting-cum-Rajbhasha Protsahan Puraskar Vitaran Samaroh", held on 24-08-2010 and "FIRST" Prize by the 'Kendriya Sachivalaya Hindi Parishad' in its "Annual Hindi Conference" held on 03-12-2010 respectively for better implementation of Hindi in the company.

### **4.0 HEALTH, SAFETY, ENVIRONMENT MANAGEMENT AND POLLUTION CONTROL :**

Your Company has strong Health, Safety and Environmental policies. The policies ensure that the plants are operated with utmost care and no hazards or mishaps take place and are carried out complying with applicable Laws and Rules. Internal Audits and management reviews are undertaken regularly to identify if improvements are required to be undertaken.

### **5.0 CSR ACTIVITIES :**

CSR activities as per new DPE Guidelines issued in April,2010 commenced from the month of October 2010 under the nomenclature of B&R Vishwakarma Scheme of Skill Development for the benefit of unemployed, uneducated and distressed youths of the Community. The implementing agencies viz Ramkrishna Mission Shilpamandira Community Training Centre (RKMSCTC) & Don Bosco Self Employment Research Institute (DBSERI) were selected and Company entered into Memorandum of Understanding with them conforming to all the norms of the new guidelines.

RKMSCTC have started implementing B&R Vishwakarma Scheme of Skill Development from the month of December 2010 & imparted training to 22 youth in the field of Electrical-16 youth & Machinist-6 youth and DBSERI started implementing for 20 youth from the month of January 2010 in the field of Wiring & Motor Winding-10 youth, Welding & Fabrication-10 youth. In the financial year 2010-11 caters to a total of 42 youth for training under CSR, who have now reportedly achieved somewhat better livelihood in various fields of society.

### **6.0 CORPORATE GOVERNANCE :**

Corporate Governance report is annexed and forms part of this report.

### **7.0 AUDIT COMMITTEE :**

The Board of Directors reconstituted the Audit Committee in October 2010 consequent upon appointment of Shri G.S.Gill as Part-time Non-Official Director of the Company with effect from 08.10.2010 pursuant to Order No. 3(12)/2008-PE.IV dated 9<sup>th</sup> September, 2010 received from the Ministry of Heavy Industries and Public Enterprises (Department of Heavy Industry), Government of India. Shri G.S.Gill was appointed the Chairman of the Audit Committee.

Four meetings of the Audit Committee were held during the Financial Year 2010-11.

In April 2011, the Audit Committee was further reconstituted on appointment of Shri D.Jana as Part-time Official Director of the Company with effect from 26.04.2011 vice Shri R.P.Goel, comprising of the following available members Shri Mukesh Jha, Chairman-cum-Managing Director, Shri G.S.Gill, Director and Shri D.Jana, Director. Shri C.Choudhuri, Director(Finance) was the permanent invitee in the Audit Committee meeting.

## 8.0 DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors state as follows :

1.	That in the preparation of the Annual accounts for the financial year ended March, 31 <sup>st</sup> , 2011, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2.	That they had selected such accounting policies and applied them consistently 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 or loss of the Company for that period;
3.	That they 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 frauds and other irregularities;
4.	That they had prepared the annual accounts on a going concern basis.

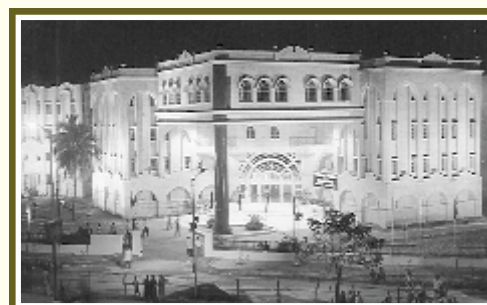
## 9.0 INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The Company has established adequate internal control systems in respect of major areas of operations with regard to all the sites of the company under execution. Such controls are aimed at promoting operational efficiencies, achieving savings in cost and overhead in respective business operations.

The Company is in the process of implementation of ERP system, unique business process integration software from Oracle in a phased manner.



Two Lane Expressway with Service Roads at Dankuni for PWD, West Bengal



National University of Juridical Sciences, Kolkata

## 10.0 DIRECTORS :

Pursuant to Order No. 3(4)/2004-PE.IV dated 13.12.2010 received from Ministry of Heavy Industries & Public Enterprises, Department of Heavy Industry, Government of India, New Delhi, the additional charge of the post of Director (Project Management) of the company held by Shri Mukesh Jha had been further extended for a period of two months with effect from 29.11.2010, till the regular incumbent joins, or until further orders, whichever is the earliest.

Pursuant to Order No. 3(12)/2008-PE.IV dated 9<sup>th</sup> September, 2010 received from the Ministry of Heavy Industries & Public Enterprises, Department of Heavy Industry, Government of India, Shri G.S.Gill was appointed as Part-time Non-official Director on the Board for a period of 3 years with effect from the date of assumption of the charge of the post, or until further orders, whichever is earlier. Shri G.S.Gill assumed his charge as Director with effect from 08.10.2010.

Pursuant to Order No. 7(3)/1998-PE.IV dated 26<sup>th</sup> April 2011 received from Ministry of Heavy Industries & Public Enterprises, Department of Heavy Industry, Government of India, New Delhi, Shri D.Jana was appointed as Part-time Official Director on the Board of the Company with effect from 26.04.2011 vice Shri R.P.Goel.

Pursuant to Order No.3(4)/2010-PE-IV dated 21.07.2011 received from Ministry of Heavy Industries & Public Enterprises, Department of Heavy Industry, Government of India, New Delhi, Shri M.K.Singh was appointed as Director (Project Management) of the Company and has taken charge with effect from July 22<sup>nd</sup>, 2011 (FN).

## 11.0 MEMORANDUM OF UNDERSTANDING WITH GOVERNMENT OF INDIA :

Bridge & Roof Co.(I) Ltd. was given an 'EXCELLENT RATING' with a MOU Composite Score of 1.46 for the year 2009-10 based on Audited data as per O.M No. 3(1)/2011-DPE (MOU) dated 11.03.2011 received from the Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises, MOU Division. The Company expects 'Excellent' rating again in the current year with improved performance during 2010-11.

## 12.0 VIGILANCE :

Vigilance department under the guidance of Chief Vigilance Officer has strived to emphasize in its activities an environment of proactive vigilance, the importance of transparency and adherence to systems and procedures as per the norms prescribed by CVC, DPE and DOPT from time to time keeping in view, the ever changing environment of the construction industry in mind. The emphasis has been more on preventive vigilance rather than mere fault finding in acts and omissions arising out of commercial decision making.

## 13.0 STATUTORY AUDITORS :

The Government of India appointed M/s. R.Kothari & Co., Chartered Accountants, Kolkata and M/s. Basu,Banerjee & Co., Chartered Accountants, Kolkata as Statutory Auditors of the Company for the Accounting Year 2010-2011 under Section 619(2) of the Companies Act, 1956.

## 14.0 ACKNOWLEDGMENT :

The Board takes this opportunity to express its deep sense of appreciation and gratitude for the support, guidance and assistance received from the Department of Heavy Industry, the Ministry of Heavy Industries & Public Enterprises, State Government, Bankers, valued clients, customers, Comptroller & Auditor General of India and above all to the employees for their dedication and commitment. The Directors are confident of receiving their support and co-operation in the coming years.

For and on behalf of the Board of Directors

Dated :29th August, 2011, Kolkata

Sgd/(MUKESH JHA)  
CHAIRMAN-CUM-MANAGING DIRECTOR

## ANNEXURE TO THE DIRECTOR'S REPORT

### FORM 'B'

#### RESEARCH, DEVELOPMENT AND DIVERSIFICATION YEAR 2010-2011

**1. Specific areas where Research, Development and Diversification was carried out :-**

- a) Manufacture of Railway Wagons.
- b) Main Boiler Work in Thermal Power Station.
- c) Furnace and Heaters.
- d) Manufacture of POT Shells.

**2. Benefits derived as a result of Research, Development and Diversification :-**

- a) Receiving Order for Furnace and Heaters.
- b) Receiving Order for Main Boiler Work.
- c) Receiving Order for different types of Wagons.

**3. Future R&D Plan :-**

- a) Optimisation of Material Handling Devices in Sites.
- b) Long Term (Say, 10 years) R&D Plan for Projects as well as Howrah Works.
- c) Manufacture of Pressure & non-pressure Vessels.
- d) Fire Fighting System.
- e) Modernisation of Steel Plants.
- f) Flyover Construction.
- g) Pumped Storage/Hydel Projects.
- h) Construction of more than 90,000 K.litres dia floating roof tank.
- i) Construction of mounded bullet for LPG storage.

**4. Expenditure in R&D in 2010-2011 :-**

Capital : ₹ NIL  
 Revenue : ₹ 11,45,907/-  
 TOTAL : ₹ 11,45,907/-

**5. Technology Absorption and Adaptation :-**

Residual Design and Detail Engineering for EURO-IV Heater LSTK Project	Our Engg. Associate <b>STRUCTO-MECH CONSULTANTS</b>	Technology Absorption is in progress.
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### FORM 'C'

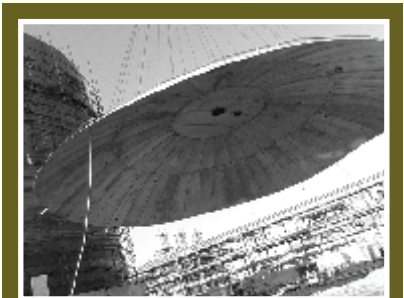
#### FOREIGN EXCHANGE EARNINGS AND OUTGO

- 1. Total Foreign Exchange used : ₹ 12.23 Crores
- 2. Total Foreign Exchange earned: ₹ 10.54 Crores

## ANNEXURE I



Group Gathering Station on Turnkey Basis at ONGC Gandhar



Erection of Roof on Double Walled Tank at IOCL Panipat



Construction of Blending Silo at Cement Plant for Penden Cement Authority Ltd. at Gomtu, Bhutan

## REPORT ON ENERGY UTILISATION

## ANNEXURE II

1. Name of the PSE : **BRIDGE & ROOF COMPANY (INDIA) LIMITED**

2. Products / Services of the PSE : Fabrication / Manufacture of the following products based on the clients design and drawing with necessary approval.

- i) Wagon / Structural ( Bunk House / Freight Container / Bridge Girder).
- ii) Bailey Bridge

3. Utilisation (Expenditure) of different forms of Energy & turnover during the last three years (Electricity, Diesel, Natural Gas - give details of each)

Sl. No.	Forms of Energy	2010-2011			2009-2010		
		Energy Expenditure (₹ /Lakh)	Turnover (₹ /Lakh)	%	Energy Expenditure (₹ /Lakh)	Turnover (₹ /Lakh)	%
1	Electricity	126.28	6239	2.02	111.64	5200	2.15
2	HSD	1.855		0.03	30.16		0.58
3	L.P.G.	9.141		0.15	6.88		0.13
	TOTAL	137.27		2.20	148.68		2.86

4. Details of Energy audit, if undertaken :

a) When (Year) and by which agency : In the year 2010 - 2011, by SUPERINTENDENCE COMPANY OF INDIA (P) LTD. PLOT NO Y-23, BLOCK-EP, SECTOR-V SALT LAKE, KOLKATA - 700 091

b) Amount paid for energy audit : ₹ 26700/-

c) Did the energy audit cover entire PSE i.e. all units OR only part. If part, give details : Audit covers entire Howrah Workshop

d) Total No. of recommendations given : There are 6 nos. of recommendations

e) Specific recommendations of the energy audit and action taken thereon : Recommendations given and actions reported

5. Steps / measures already been taken for the year 2010-11 against earlier recommendations:-

- i) Power Factor improvement
- ii) Revision of Maximum Demand
- iii) Normal billing instead of T.O.D
- iv) Conversion of 500W / 250W HPMV / HAL into 28W T-5 fixtures.
- v) Air leak management for compressors
- vi) Energy saving with LED lamps

**ANNEXURE-III**

Groups	NUMBER OF EMPLOYEES										Number of appointments made during the previous calendar year									
	By Direct Recruitment					By Promotion					By other Methods									
	Total	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15						
Group-A	642	88	4	35	2	-	-	-	59	14	-	-	-	-						
Group-B	163	26	-	7	12	3	-	2	16	-	-	-	-	-						
Group-C	470	27	1	13	4	1	-	-	40	4	1	1	-	-						
Group-D (Excluding Sweepers)	273	27	3	9	15	2	-	1	81	8	2	3	-	-						
Group-D (Sweepers)	9	9	-	-	-	-	-	-	-	-	-	-	-	-						
<b>TOTAL</b>	<b>1557</b>	<b>177</b>	<b>8</b>	<b>64</b>	<b>33</b>	<b>6</b>	<b>-</b>	<b>3</b>	<b>196</b>	<b>26</b>	<b>3</b>	<b>4*</b>	<b>-</b>	<b>-</b>						

\*Absorbed on closure of erstwhile holding Company i.e. BYN (CPSE).

## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY

Bridge & Roof Co. (I) Ltd. is continuously dedicated in promoting the principles of sound corporate governance norms through the development and adoption of highest standards of transparency, trust and integrity, performance orientation, responsibility and accountability, professionalism, social responsiveness, ethical business practices and commitment to the organization as a self discipline code for sustainable enrichment of stakeholder's value.

### BOARD OF DIRECTORS :

#### Composition

The Board of Bridge & Roof Co. (I) Ltd. has a mix of Executive & Non-Executive Directors. The present Board comprises of 3 whole-time functional Directors including Chairman-cum-Managing Director and newly appointed Director(Project Management) on 22<sup>nd</sup> July 2011; 2 part-time Directors, 1 nominated by the Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises, Govt. of India and 1 Independent Director. The President of India appoints all the Directors of Bridge & Roof Co. (I) Ltd. All the Directors except CMD and whole-time directors are liable to retire by rotation and at least one third retire every year and if eligible, qualify for re-appointment.

The members of the Board, apart from receiving Directors' remuneration, in case of Functional Directors and sitting fees in case of Independent Directors, do not have any material pecuniary relationship or transaction with the company, which in the judgment of Board may affect independence of judgment of Directors.

The composition of Board as on 31.3.2011 was as under:

Sl. No.	Name of Director	Category	No. of Directorship in other Board as on 31.03.11
1	Shri Mukesh Jha	Chairman and Managing Director -(Wholetime)	NIL
2	Shri Chandan Choudhuri	Director Finance - (Wholetime)	NIL
3	Shri G.S.Gill	Director -(Part-time) Non-official/Independent	Director - 1

### BOARD PROCEDURES :

1.0 As per the policy of your Company, apart from the matters which are required to be statutorily decided by the Board, all other major decisions involving investments and capital expenditure, mobilization of resources, Employee's compensation etc. and major issues such as quarterly performance, progress of projects, industrial relations, market scenarios, budgets and plans etc. are discussed in the meetings as regular agenda items by the Board. Detailed agenda notes are circulated generally about a week in advance of the Board meetings. During the year under review 5 (five) meetings were held by the Board.



Name of Directors	Number of meetings held	Number of meetings attended	Whether attended last AGM	Directorship in other companies	
				As Chairman	As Member
SHRI MUKESH JHA (WHOLE-TIME DIRECTOR)	5	5	YES	-	-
SHRI CHANDAN CHOUDHURI (WHOLE-TIME DIRECTOR)	5	5	YES	-	-
SHRI R.MANO HAR (GOVT.NOMINEE/PART-TIME OFFICIAL DIRECTOR TILL 30.04.2010)	5	1	NO	-	4
SHRI R.P.GOYAL (GOVT.NOMINEE/PART-TIME OFFICIAL DIRECTOR FROM 07.06.2010)	5	4	NO	-	4
SHRI G.S.GILL (PART-TIME NON OFFICIAL DIRECTOR FROM 08.10.2010)	5	2	NO	-	-

### 1.1 Audit Committee :

The Board has constituted the following Committees to take decisions, review policies and systematize management process.

#### Audit Committee :

Pending appointment of requisite number of independent directors on the Board, the constitution of Audit Committee was not as per the Companies Act, 1956 and the DPE (Department of Public Enterprises) Guidelines on Corporate Governance 2010, therefore, the Board of Directors decided to constitute the Committee with the remaining directors on the Board. Audit Committee comprised of Shri R.Manohar and thereafter Shri R.P.Goyal (Govt.Nominee Directors) as Chairman, Shri Mukesh Jha (Chairman-cum-Managing Director) and Shri Chandan Choudhuri (Director Finance) as Members and Company Secretary as Secretary of the Committee. Shri G.S.Gill was elected as Chairman of the Committee on his appointment as independent director with effect from 08.10.2010, thereafter Shri Chandan Choudhuri (Director Finance) became the permanent invitee. The terms of reference to the Committee is in accordance with the requirement of DPE (Department of Public Enterprises) Guidelines on Corporate Governance 2010 and include inter-alia,

- overseeing of the Company's financial reporting process and disclosure of information;
- recommending the remuneration of Statutory Auditors.
- reviewing with management, external Auditors and Internal Auditors of the adequacy of internal control systems, compliance with accounting standards, guidelines and statutes.
- reviewing the financial statements and performance of the Company.
- The Committee is entrusted with power to seek information from any employee, to investigate, with the assistance of Internal Auditors, any activities/functions and to seek any external assistance if required.
- Discussion with internal auditors and/or auditors any significant findings and follow-up thereon.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

During the year 2010-11, the Committee reviewed the audits conducted by Internal Audit Department gave directions and sought further investigations and examinations wherever necessary. The Committee also reviewed the financial statements before submitting to the Board and gave importance to the internal Control Systems. All the recommendations of the Audit Committee were accepted and implemented.

During the year, 4 meetings of the Audit Committee were held on 26.04.2010, 23.07.2010, 26.11.2010 and 25.03.2011 and the attendance was as under:

Name of Director	Number of meetings held	Number of meetings attended
Shri R.Manohar (Chairman till 30.04.2010)	4	1
Shri Mukesh Jha	4	4
Shri Chandan Choudhuri	4	4
Shri R.P.Goyal (Chairman till 08.10.2010)	4	3
Shri G.S.Gill (Chairman)	4	2

#### Remuneration Committee :

In accordance with the DPE (Department of Public Enterprises) Guidelines on Corporate Governance 2010, Remuneration Committee was constituted by the Board of Directors at its 99<sup>th</sup> meeting held on 8<sup>th</sup> October 2010 with following directors: Shri G.S.Gill (Independent Director), Shri R.P.Goyal, (Government Nominee Director) and Shri Chandan Choudhuri, Director (Finance). The Committee was further reconstituted with appointment of Shri D.Jana as Director vice Shri R.P.Goyal on 26.04.2011. The present Remuneration Committee consists of Shri G.S.Gill (Independent Director), Shri D.Jana (Government Nominee Director) and Shri Chandan Choudhuri, Director (Finance).

The terms of reference to the Committee is in accordance with the requirement of DPE (Department of Public Enterprises) Guidelines on Corporate Governance 2010.

During the year, no Remuneration Committee meeting was held.

#### 1.2 Remuneration/Sitting fee :

Functional (Executive) Directors are appointed by President of India in accordance with Article 15 of the Articles of Association of your Company and their remuneration and other terms and conditions are governed by the terms of appointment as decided by the Government. While the Chairman and Managing Director is appointed in Schedule 'B' scale i.e. 75000-90000/-, the other functional Director are in Schedule 'C' scale i.e. 65000-75000/-. All the other terms and conditions of appointment such as accommodation, provision of car etc. are same for all and are specified in their respective appointment orders and any other terms not specified in the said order are in accordance with the rules applicable to the employees of your Company. Remuneration paid to the Directors during the year is as under :

Name	Salary & benefits (incl. arrears)
Shri Mukesh Jha (Chairman-and-Managing Director)	23,78,787/-
Shri Chandan Choudhuri, Director (Finance)	16,33,048/-

\*No Performance-Linked Pay was paid during the year 2010-11.

The Non-Executive independent directors are not paid any remuneration. They are paid sitting fee for attending Board Meetings/ Committee Meetings as decided and approved by the Board. During the year 2010-11 Shri G.S.Gill was paid ₹ 2400/- as sitting fee for attending Board Meetings and Audit Committee Meetings.

The non-executive government Directors are not paid any sitting fee for attending the meetings.

#### 1.3 Code of Conduct for Directors and Senior Management Personnel :

The Code of Conduct for Business Conduct and Ethics for all Board Members and Senior Management Personnel as per the Corporate Governance Guidelines 2010 was adopted in the month of July 2010 and has been displayed in the Company's website in accordance with the Guidelines on Corporate Governance 2010.

## CEO/CFO CERTIFICATION FOR THE FINANCIAL YEAR ENDING ON 31<sup>st</sup> MARCH 2011.

- a. We have reviewed the Company's Balance sheet as at 31<sup>st</sup> March 2011, the Profit and Loss Account (Financial Statements) and the Cash Flow Statement as on that date and that to the best of our knowledge and belief :-
- i) These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
  - ii) These documents together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations;
- b. There are to the best of our knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to Financial Reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operations of such internal control, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:-
- i) Significant changes in Internal Control for Financial Reporting during the Financial Year 2010-11.
  - ii) Significant changes in Accounting Policies during the year and that the same have been disclosed in the notes to the Financial Statements, and
- e. There have been no instances of significant fraud of which we have become aware of or any involvement therein, of the management or any employee having significant role in the Company's internal control system over Financial Reporting.

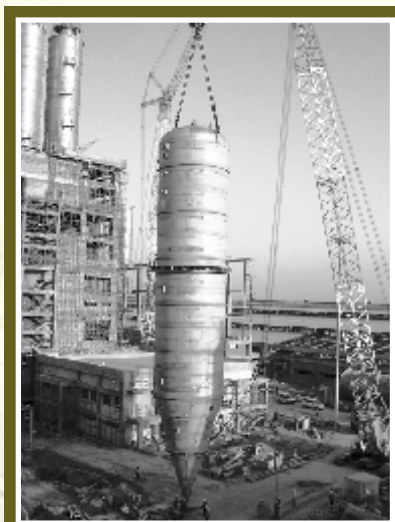
### MANAGEMENT DISCUSSION & ANALYSIS REPORT :

Management Discussion and Analysis Report forms part of the Directors' Report.

#### MEANS OF COMMUNICATION :

The results of the Company are put up on the Company's corporate website: [www.bridgeroof.co.in](http://www.bridgeroof.co.in). The Company's official news releases are also available on the Company's website. In addition, the Company communicates major achievements and important events taking place in the Company through Press and Electronic Media and to the Board of Directors.

All important information pertaining to the Company is also mentioned in the Annual Report of the Company which is circulated to the members and others entitled thereto for each financial year.



Erection of Heavy Lift Pump at IOCL, Panipat



Stack at Captive Power Plant for NALCO, Angul

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF BRIDGE & ROOF CO. (INDIA) LIMITED, KOLKATA FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011.**

The preparation of financial statements of Bridge & Roof Co. (India) Limited, Kolkata for the year ended 31<sup>st</sup> March 2011 in accordance with the financial reporting framework prescribed under Companies Act, 1956 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act 1956 based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body, The Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 12<sup>th</sup> August 2011.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 619 (3)(b) of the Companies Act 1956 of the financial statements of Bridge & Roof Co.(India) Limited, Kolkata for the year ended 31<sup>st</sup> March 2011. This supplementary audit has been carried out independently 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 Auditors' Report under Section 619(4) of the Companies Act, 1956.

For and on behalf of the  
Comptroller & Auditor General of India

(Nandana Munshi)

Principal Director of Commercial Audit &  
Ex-Officio Member, Audit Board- 1.  
KOLKATA

Place : Kolkata  
Date : 29<sup>th</sup> August, 2011

## Auditor's Report to the Members of Bridge & Roof Company (India) Limited

We have audited the annexed Balance Sheet of Bridge & Roof Company (India) Limited as at 31<sup>st</sup> March, 2011 and the related Profit and Loss Account and the Cash flow statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these Financial Statements based on our audit.

We conducted our audit in accordance with Auditing Standards Generally Accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Financial Statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003(as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matter specified in paragraphs 4 & 5 of the said Order :

1. Further to our Comments in the Annexure referred to above, we report that:
  - a) We have 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 the books;
  - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.
  - e) In terms of Department of Company Affairs General Circular No. 8/2002 dated March, 2002, Government Companies are exempt from the applicability of the provisions of Section 274(1)(g) of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies in Schedule 8.1 and Notes appearing thereon in Schedule 8.2, give the information required by the Companies Act, 1956 in the manner so required and give a true & fair view in conformity with the Accounting Principles Generally Accepted in India;
    - i) In the case of the Balance Sheet of the state of affairs of the Company as at 31<sup>st</sup> March, 2011
    - ii) In the case of Profit & Loss of the Profit of the Company for the Year ended on that date.
    - iii) In the case of Cash Flow Statement, of the Cash Flows of the Company for the Year ended on that date.

for **BASU BANERJEE & CO.**  
Chartered Accountants  
Regd. No. 303092E

for **R. KOTHARI & CO.**  
Chartered Accountants  
Regd. No. 307069E

**DURGADAS PATRA**  
Partner  
Membership No. 050734

**KAILASH CHANDRA SONI**  
Partner  
Membership No. 057620

Place: Kolkata  
Dated: 12<sup>th</sup> August, 2011

## Annexure referred to in paragraph (3) of our report of even date

### Ref: BRIDGE & ROOF COMPANY (INDIA) LIMITED

- (i) (a) The Company has maintained reasonable records showing full particulars, including quantitative details and situation of fixed assets which is in the process of transformation from manual to ERP module.
- (b) As explained to us, the fixed assets of the company have been physically verified by the management at reasonable interval and the reconciliation is in progress.
- (c) The Company has not disposed off substantially any part of its fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii)(a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act and accordingly, paragraph 4(iii)(b), (c) and (d) of the Order are not applicable.
- (b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act and accordingly, paragraph 4(iii)(f), (g) and (h) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of the business, for the purchase of inventory and fixed assets and for the sale of its goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) (a) According to information and explanations given to us, no transaction of purchase or sales of goods in pursuance of contract or arrangement entered into the Register maintained under Section 301 of the Act and accordingly, paragraph 4(v)(b), of the Order is not applicable.
- (vi) The Company has not accepted any deposits from the Public.
- (vii) In our opinion, the Company has an internal audit department which needs to be strengthened considering the size and nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under Clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 in respect of the operations of the Company.
- (ix)(a) Undisputed statutory dues including provident fund, investor education and protection fund, or employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other statutory dues applicable to it have generally been regularly deposited with the appropriate authorities though there has been slight delay in a few cases.
- (b) According to the information and explanation given to us, no undisputed dues in respect of provident fund, investor education and protection fund, of employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, custom duty, excise duty, cess and other statutory dues were outstanding, at the year end for a period of more than six months from the date they became payable;
- (c) According to the records of the company, the dues outstanding of income tax, sales-tax, wealth tax, service tax, custom duty, excise duty and cess on account of any dispute, are as follows :

Name of the statute	Nature of the dues	Amount (₹ Lakh)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Demand of Assessed Tax (inclusive of Interest and Penalty).	140.32	2002-03	Sales Tax Appellate Authority
West Bengal Sales Tax Act, 1994	West Bengal Sales Tax imposed on Advertisement Rental	128.35	2002-03	Sales Tax Appellate Authority

- (x) The company has no accumulated losses as at 31<sup>st</sup> March, 2011 nor has it incurred cash losses in the Financial Year ended on that date. The Company has not incurred cash loss in the immediate preceding financial year.
- (xi) Based on our audit procedures and as per 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.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by other from bank or financial institutions.
- (xvi) Based on information and explanations given to us by the management, loans taken by the company were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Act.
- (xix) The Company has not issued any debentures.
- (xx) The Company has not raised any money by public issues.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

for **BASU BANERJEE & CO.**  
Chartered Accountants  
Regd. No. 303092E

for **R. KOTHARI & CO.**  
Chartered Accountants  
Regd. No. 307069E

**DURGADAS PATRA**  
Partner  
Membership No. 050734

**KAILASH CHANDRA SONI**  
Partner  
Membership No. 057620

Place: Kolkata  
Dated: 12<sup>th</sup> August, 2011

## BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2011

SOURCES OF FUND :	SCHEDULE	(₹ Lakh)			
		As at 31st March, 2011		As at 31st March, 2010	
<b>Shareholders' Fund</b>					
Share Capital	1.1	5498.72		5498.72	
Reserves & Surplus	1.2	15961.57	21460.29	10385.44	15884.16
<b>Loan Fund</b>					
Secured Loans	2.1	4990.28		5379.18	
Unsecured Loans	2.2	0.00	4990.28	900.00	6279.18
			<u>26450.57</u>		<u>22163.34</u>
<b>APPLICATION OF FUND :</b>					
<b>Fixed Assets :</b>					
Gross Block		19970.59		18137.15	
Less: Depreciation		15060.24		13676.96	
Net Block	3.1		4910.35		4460.19
<b>Deferred Tax Assets</b>			841.24		819.60
<b>Current Assets, Loans and Advances</b>					
Stock, Stores & Spares	4.1	4230.83		3902.37	
Contracts-in-progress		54221.75		43213.40	
Sundry Debtors	4.2	1038.89		736.84	
Cash & Bank Balances	4.3	8195.93		6614.56	
Loans and Advances	4.4	43892.01		33194.60	
		<u>111579.41</u>		<u>87661.77</u>	
<b>Less: Current Liabilities &amp; Provisions</b>					
Liabilities	5.1	81485.13		64429.48	
Provisions	5.2	9395.30		6348.74	
		<u>90880.43</u>		<u>70778.22</u>	
<b>Net Current Assets</b>			20698.98		16883.55
			<u>26450.57</u>		<u>22163.34</u>

Significant Accounting Policies (8.1) and Notes on Balance Sheet and Profit & Loss Account (8.2)  
The schedule referred to above form an integral part of the Balance Sheet.  
This is the Balance Sheet referred to in our Report of even date.

For **BASU BANERJEE & CO.**  
Chartered Accountants  
Regd. No. 303092E

**DURGADAS PATRA**  
Partner  
Membership No. 050734

For **R. KOTHARI & CO.**  
Chartered Accountants  
Regd. No. 307069 E

**KAILASH CHANDRA SONI**  
Partner  
Membership No. 057620

Dated: 12<sup>th</sup> August, 2011, Kolkata

**S. MITRA**  
General Manager  
(Corporate Accounts)

**R. KAR**  
Company Secretary

For and on behalf of the  
Board of Directors

**MUKESH JHA**  
Chairman - cum - Managing Director  
& Additional Charge of Director  
(Project Management)

**CHANDAN CHOUDHURI**  
Director (Finance)



**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2011** (₹ Lakh)

INCOME	SCHEDULE	For the Year ended 31st March, 2011	For the Year ended 31st March, 2010
Sales :			
Inland	6.1	120833.93	105659.88
Export	6.1	1054.40	3094.29
		<u>121888.33</u>	<u>108754.17</u>
Accretion/ Decretion to Contracts-in-progress :			
Inland	6.2	11338.60	7219.55
Export	6.2	(330.25)	227.31
Value of work Done		<u>132896.68</u>	<u>116201.03</u>
Other Revenues	6.3	452.77	329.88
<b>TOTAL INCOME :</b>		<u><b>133349.45</b></u>	<u><b>116530.91</b></u>
<b>EXPENDITURE</b>			
Consumption of Material	7.1	30948.96	29746.70
Employee Cost & Other Exp.	7.2	91643.24	77981.23
Interest	7.3	664.82	1030.26
Depreciation	3.1	1383.59	1361.61
<b>TOTAL EXPENDITURE :</b>		<u><b>124640.61</b></u>	<u><b>110119.80</b></u>
Profit before Tax		8708.84	6411.11
Provision for Tax			
Current Tax		2970.69	2260.46
Deferred Tax		(21.64)	117.75
<b>Profit After Tax</b>		<u><b>5759.79</b></u>	<u><b>4032.90</b></u>
Taxation Adjustment relating to previous year		(8.06)	(167.18)
<b>Available for appropriation</b>		<u><b>5767.85</b></u>	<u><b>4200.08</b></u>
Proposed Dividend		164.96	109.98
Tax on Proposed Dividend		26.76	18.26
Transfer to General Reserve		5502.13	4029.84
Balance carried to Balance Sheet		74.00	42.00
		<u><b>5767.85</b></u>	<u><b>4200.08</b></u>
Earning Per Share - Basic and Diluted ( ₹ )		10.49	7.65

Significant Accounting Policies (8.1) and Notes on Balance Sheet and Profit & Loss Account (8.2)  
The schedule referred to above form an integral part of the Profit & Loss Account.  
This is the Profit & Loss Account referred to in our Report of even date.

For **BASU BANERJEE & CO.**  
Chartered Accountants  
Regd. No. 303092E

**DURGADAS PATRA**  
Partner  
Membership No. 050734

For **R. KOTHARI & CO.**  
Chartered Accountants  
Regd. No. 307069 E

**KAILASH CHANDRA SONI**  
Partner  
Membership No. 057620

Dated: 12<sup>th</sup> August, 2011, Kolkata

**S. MITRA**  
General Manager  
(Corporate Accounts)

**R. KAR**  
Company Secretary

For and on behalf of the  
Board of Directors

**MUKESH JHA**  
Chairman - cum - Managing Director  
& Additional Charge of Director  
(Project Management)

**CHANDAN CHOUDHURI**  
Director ( Finance )

## SCHEDULE - 1.1

### SHARE CAPITAL

#### Authorised

600,00,000 Equity Shares of ₹ 10 each

#### Issued and Subscribed

5,46,87,155 (Previous year 5,46,87,155)

Equity Shares of ₹ 10 each fully paid up in Cash

3,00,000 Equity Shares of ₹ 10 each allotted as fully paid Bonus Shares by way of capitalisation of Revenue Reserve.

(₹ Lakh)

	As at 31st March, 2011	As at 31st March, 2010
	<u>6000.00</u>	<u>6000.00</u>
	5468.72	5468.72
	30.00	30.00
	<u><u>5498.72</u></u>	<u><u>5498.72</u></u>

## SCHEDULE - 1.2

### RESERVES & SURPLUS :

(₹ Lakh)

	Balance As at 31.03.2010	Additions during the year	Transfer during the year	Balance as at 31.03.2011
General Reserve	10343.44	5502.13	42.00	15887.57
Profit & Loss Account	42.00	74.00	(42.00)	74.00
Total	<u><u>10385.44</u></u>	<u><u>5576.13</u></u>	<u><u>—</u></u>	<u><u>15961.57</u></u>

## SCHEDULE - 2.1

### SECURED LOANS

Cash Credit & WCDL Accounts with :

State Bank of India  
 Bank of Maharashtra  
 Bank of Baroda  
 Indian Bank  
 ICICI Bank  
 Yes Bank  
 Punjab National Bank  
 Bank of India  
 Allahabad Bank

(Above Cash Credit , Working Capital Demand Loan accounts are secured by hypothecation of Stock, Contracts -in-Progress and Book Debts and are also collaterally secured pari-passu by joint mortgage of entire Fixed Assets of the Company).

(₹ Lakh)

	As at 31st March, 2011	As at 31st March, 2010
	476.20	1585.53
	1568.86	1360.70
	655.67	935.89
	472.05	172.32
	73.65	67.07
	62.98	84.29
	1423.27	954.11
	245.18	188.97
	12.42	30.30
	<u>4990.28</u>	<u>5379.18</u>

## SCHEDULE - 2.2

### UNSECURED LOAN

Government of India

(₹ Lakh)

	As at 31st March, 2011	As at 31st March, 2010
	—	900.00
	<u>0.00</u>	<u>900.00</u>

### SCHEDULE - 3.1

### FIXED ASSETS

(₹ Lakh)

Sl. No.	Particulars	ORIGINAL COST				DEPRECIATION				WRITTEN DOWN VALUE	
		As at 31st March, 2010	Additions during the year	Disposal during the year	Total Cost as at 31st March, 2011	Upto 31st March, 2010	For the year	Disposal/ Adjustment for the year	Total depreciation upto 31st March, 2011	As at 31st March, 2011	As at 31st March, 2010
1	Land	39.67	-	-	39.67	-	-	-	-	39.67	39.67
2	Buildings, Road Fencing	212.89	-	-	212.89	113.85	4.85	-	118.70	94.19	99.04
3	Factory Buildings	72.63	-	-	72.63	66.19	0.74	-	66.93	5.70	6.44
4	Plant & Machinery	13753.17	1071.25	0.43	14823.99	10693.84	1004.01	0.24	11697.61	3126.38	3059.33
5	Electrical Installation	195.25	3.42	-	198.67	158.41	5.51	-	163.92	34.75	36.84
6	Computer, Typewriter, Accounting Machines	497.02	55.69	-	552.71	400.24	46.21	-	446.45	106.26	96.78
7	Furniture & Fittings	222.80	15.85	-	238.65	171.10	11.01	-	182.11	56.54	51.70
8	Pump, Tubewell & Survey Instruments	909.37	348.65	-	1258.02	368.43	101.48	-	469.91	788.11	540.94
9	Vehicle*	2234.35	339.14	0.13	2573.36	1704.90	209.78	0.07	1914.61	658.75	529.45
	TOTAL	18137.15	1834.00	0.56	19970.59	13676.96	1383.59	0.31	15060.24	4910.35	4460.19
	PREVIOUS YEAR	17231.82	908.04	2.71	18137.15	12316.38	1361.61	1.03	13676.96	4460.19	-

\*Vehicle includes Jeeps, Mini Buses, Dumpers etc.

## SCHEDULE - 4.1

(₹ Lakh)

### STOCK

(As taken, Valued & certified by the Management)

Raw Material-[Ref. Sch. 8.1 (4.1)]

2528.54

2041.36

Consumables & Other  
Materials-[Ref. Sch. 8.1 (4.2)]

800.07

743.45

Jigs, Patterns, Tubular  
Structures-[Ref. Sch. 8.1 (4.3)]

186.73

184.53

Tools & Tackles.  
[Ref. Sch. 8.1 (4.4)]

738.79

951.33

Less :

Provision against Non-moving stock

4254.13

3920.67

(23.30)

(18.30)

4230.83

3902.37

## SCHEDULE - 4.2

### SUNDRY DEBTORS

(₹ Lakh)

Unsecured  
Considered Good :

Debts outstanding for a period  
exceeding six months

As at 31st  
March, 2011

As at 31st  
March, 2010

213.93

39.86

Other Debts

824.96

696.98

1038.89

736.84

### SCHEDULE - 4.3

(₹ Lakh)

#### CASH AND BANK BALANCES

	As at 31st March, 2011	As at 31st March, 2010
Cash/Drafts in hand	21.61	20.55
Remittance in Transit	1135.82	768.35
With Scheduled Banks in Current Account	6962.77	5307.99
With Scheduled Banks in Deposit Account	67.22	63.04
With Non-scheduled Banks in Current Account		
I. Bank of Bhutan		
Phuentsholing (Maximum balance at any time during the year ₹ 0.06 lakh, Previous year ₹ 0.06 lakh)	0.06	0.06
Gomtu (Maximum balance at any time during the year ₹ 0.78 lakh, Previous year ₹ 0.78 lakh)	0.02	0.78
II. National Bank of Kuwait		
Kuwait (Maximum balance at any time during the year ₹ 453.79 lakh, Previous year ₹ 453.79)	8.43	453.79
	<u>8195.93</u>	<u>6614.56</u>

### SCHEDULE - 4.4

(₹ Lakh)

#### LOANS & ADVANCES

##### Unsecured, Considered Good:

Advances recoverable in cash  
or in kind or for value to be received :

##### Security & Other Deposits :

with Government Departments  
with others

##### Advance Payment of Tax

(including tax deducted at source)

	As at 31st March, 2011	As at 31st March, 2010
Unsecured, Considered Good:		
Advances recoverable in cash or in kind or for value to be received :	22491.31	18089.89
Security & Other Deposits :		
with Government Departments	98.85	49.37
with others	12591.41	8591.39
	<u>12690.26</u>	<u>8640.76</u>
Advance Payment of Tax	8710.44	6463.95
(including tax deducted at source)	<u>43892.01</u>	<u>33194.60</u>

## SCHEDULE - 5.1

### CURRENT LIABILITIES

Advance received against contracts

Sundry Creditors

Micro & Small Enterprises  
Other than Micro and Small  
Enterprises

Interest Accrued but not due

(₹ Lakh)

	As at 31st March, 2011	As at 31st March, 2010
Advance received against contracts	20669.10	19818.70
Sundry Creditors	—	—
Micro & Small Enterprises Other than Micro and Small Enterprises	60816.03	44566.73
	<u>60816.03</u>	<u>44566.73</u>
Interest Accrued but not due	—	44.05
	<u><b>81485.13</b></u>	<u><b>64429.48</b></u>

## SCHEDULE - 5.2

### PROVISIONS

Taxation

Fringe Benefit Tax

Bonus

Proposed Dividend

Tax on Proposed Dividend

Leave Encashment

Corporate Social Responsibility (C.S.R)

(₹ Lakh)

	As at 31st March, 2011	As at 31st March, 2010
Taxation	7822.71	4860.21
Fringe Benefit Tax	29.86	73.39
Bonus	35.59	36.23
Proposed Dividend	164.96	109.98
Tax on Proposed Dividend	26.76	18.26
Leave Encashment	1198.11	1250.67
Corporate Social Responsibility (C.S.R)	117.31	—
	<u><b>9395.30</b></u>	<u><b>6348.74</b></u>

## SCHEDULE - 6.1

(₹ Lakh)

### SALES

#### INLAND

##### Bills raised -

Structural

Less: Excise Duty

##### Bills Accepted/Paid/Settled -

Civil Contract

Mechanical Contract

Turnkey Contract

#### EXPORT

##### Bills Accepted/Paid/Settled -

Overseas Contract

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
Structural	4971.09	5083.93
Less: Excise Duty	(251.15)	(283.45)
	<u>4719.94</u>	<u>4800.48</u>
Civil Contract	50101.09	45542.36
Mechanical Contract	63127.09	50071.33
Turnkey Contract	2885.81	5245.71
	120833.93	105659.88
Overseas Contract	1054.40	3094.29
	<u>121888.33</u>	<u>108754.17</u>

## SCHEDULE - 6.2

(₹ Lakh)

### ACCRETION /DECRETION TO CONTRACTS -IN-PROGRESS

#### INLAND

##### Closing Contracts -in-Progress

Structural

Civil Contract

Mechanical Contract

Turnkey Contract

##### Less :

##### Opening Contracts-in-Progress

Structural

Civil Contract

Mechanical Contract

Turnkey Contract

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
Structural	371.13	703.54
Civil Contract	20016.35	17438.13
Mechanical Contract	30897.82	22887.67
Turnkey Contract	2736.97	1654.33
	54022.27	42683.67
Structural	703.54	299.04
Civil Contract	17438.13	16806.64
Mechanical Contract	22887.67	16946.02
Turnkey Contract	1654.33	1412.42
	42683.67	35464.12
	<u>11338.60</u>	<u>7219.55</u>
Overseas Contract		
Closing Contracts-in-Progress	199.48	529.73
Less :		
Opening Contracts-in-Progress	529.73	302.42
	<u>(330.25)</u>	<u>227.31</u>

#### EXPORT

Overseas Contract

Closing Contracts-in-Progress

Less :

Opening Contracts-in-Progress



### SCHEDULE - 6.3

(₹ Lakh)

#### OTHER REVENUES

Sale of Scrap	
Sundry Income & Claim	
Interest Received	
Bank	
Others	

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
	202.12	127.45
	113.30	62.01
	4.09	8.28
	<u>133.26</u>	<u>132.14</u>
	137.35	140.42
	<u><u>452.77</u></u>	<u><u>329.88</u></u>

[Tax deducted at source ₹ 0.42 lakh (Previous year ₹ 0.88 lakh)]

### SCHEDULE - 7.1

(₹ Lakh)

#### CONSUMPTION OF MATERIAL

##### Opening Stock

Raw Materials	
Components, Jigs, Pattern & Sundry Materials	

Add : Purchase

Less:

##### Closing Stock

Raw Materials	
Components, Jigs, Pattern & Sundry Materials	

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
	2041.36	3964.48
	<u>1879.31</u>	<u>2738.98</u>
	3920.67	6703.46
	<u>31282.42</u>	<u>26963.91</u>
	35203.09	33667.37
	2528.54	2041.36
	<u>1725.59</u>	<u>1879.31</u>
	4254.13	3920.67
	<u><u>30948.96</u></u>	<u><u>29746.70</u></u>

## SCHEDULE - 7.2

### EMPLOYEE COST & OTHER EXPENSES :

	(₹ Lakh)	
	For the year ended 31st March, 2011	For the year ended 31st March, 2010
<b>A. EMPLOYEE COST :</b>		
Salaries, Wages & Bonus	7207.40	6635.03
Workmen & Staff Welfare Expenses	724.74	638.28
Contribution to Provident & Other Funds	749.63	590.48
Gratuity Fund Expenses	48.51	182.84
<b>Sub-Total</b>	<b><u>8730.28</u></b>	<b><u>8046.63</u></b>
<b>B. OTHER EXPENSES :</b>		
Labour & Sub-Contract Cost	67954.95	57419.26
Repairs & Maintenance -Plant & Machinery	879.82	849.67
Repairs & Maintenance - Building	101.04	97.61
Power & Fuel	2771.90	2193.14
Rent	1039.97	876.47
Insurance	172.69	107.60
Rates & Taxes	2429.67	1623.21
Advertising Charges	92.16	86.73
Bank Charges & Commission	760.57	916.07
Travelling Expenses	641.07	527.24
Printing & Stationery	132.83	132.47
Transport & Handling Charges	676.33	526.34
Postage & Telephone	135.79	109.72
Subscription	19.49	12.34
Hire Charges of Equipment	2866.55	2538.74
Conveyance Expenses	775.22	716.27
Provision against non-moving stock	5.00	5.00
Provision against C.S.R.	120.99	0.00
Legal Expenses	100.97	66.74
Directors' fee	0.02	0.00
Auditors' Remuneration	2.32	2.62
Miscellaneous Expenses	1233.61	1127.36
<b>Sub-Total</b>	<b><u>82912.96</u></b>	<b><u>69934.60</u></b>
<b>TOTAL (A+B)</b>	<b><u>91643.24</u></b>	<b><u>77981.23</u></b>

## SCHEDULE - 7.3

### INTEREST :

	(₹ Lakh)	
	For the year ended 31st March, 2011	For the year ended 31st March, 2010
Government of India	70.99	180.28
Bank Borrowings	391.86	445.82
Others	201.97	404.16
	<b><u>664.82</u></b>	<b><u>1030.26</u></b>

## SCHEDULE - 8.1

### SIGNIFICANT ACCOUNTING POLICIES :

#### 1. SYSTEM OF ACCOUNTS :

The Accounts of the Company are prepared under the convention of Historical Cost and Going Concern Concept in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act 1956. The Company follows Mercantile system of accounting .

##### 1.1. Use of Estimates

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

#### 2. FIXED ASSETS AND DEPRECIATION :

- 2.1 Fixed Assets are stated at Cost less Depreciation.
- 2.2 Depreciation is provided on "Written Down Value" as per rate and rules prescribed in Schedule XIV of the Companies Act, 1956 on pro rata basis.

#### 3. IMPAIRMENT OF ASSETS :

The Company has a policy of reviewing the carrying amount of the fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected for continuing use of the assets and from its disposal are discounted to their present value using an appropriate rate that reflects the current market assessments of time value of money and the risks specific to the asset.

#### 4. VALUATION OF INVENTORY :

- 4.1 Steel stock comprising of full size and leavings/off-cuts which are usable in the process of fabrication are valued at the lower of cost and net realisable value. Weighted average formula is used for measuring cost of steel stock. Site stock of raw materials are valued at the lower of cost and net realisable value and FIFO cost formula is used.
- 4.2 In the case of structural jobs, work not covering all the stages of production are valued at the lower of cost and net realisable value using weighted average cost formula. Consumables and other materials at works / site are valued at the lower of cost and net realisable value using FIFO cost formula.
- 4.3 Value of Jigs, Patterns, Tubular Structures and other temporary structures are valued at cost using FIFO cost formula.
- 4.4 Value of Tools & Tackles are determined using weighted average cost formula and 20% of the cost are written off every year on account of wear and tear.

#### 5. ACCOUNTING FOR CONSTRUCTION CONTRACTS :

- 5.1 The Company followed the percentage of completion method for accounting of construction contracts, following the accounting standard in the case of Construction Contracts issued by the Institute of Chartered Accountants of India (ICAI), so as to incorporate in the accounts profit of the incomplete contracts, after taking into consideration the technical assessment on conservative basis of the estimated future cost and revenue thereby making suitable adjustments in the valuation of the year-end contracts-in-progress.

## 6. REVENUE RECOGNITION :

In accordance with the Company's usual practice :

- 6.1 Sales for various divisions of Company's activities are accounted for as follows :
  - 6.1.1 Structural ,Marine Freight Container and Railway Wagons  
The amount of bills raised for goods despatched during the year.
  - 6.1.2 Civil, Mechanical, Turnkey & Overseas:  
The amount of Running Account bills raised and realised upto the year end in respect of work done upto that date and also the amount realised after the year end in full settlement of claims in respect of final bills raised for work done within the year.
- 6.2 Contracts-in-progress in respect of Civil, Mechanical, Turnkey and Overseas jobs has been valued at rates applicable to Running Accounts bills after making adjustments following 'Cost to Complete' basis. Work partially executed which has not reached the billing stage/next higher chargeable unit stage is valued at cost/lower stage rate. Contract-in-progress for these activities includes :
  - 6.2.1 Value of Running Accounts bills for work done upto the year end for which payments have not been received from the client.
  - 6.2.2 Estimated value of work executed for which bills have not been raised pending measurement for work done.
  - 6.2.3 Extra work executed for which bills have been raised but not settled by the client.
  - 6.2.4 Value of escalation of costs for which bills have been raised but not settled by the clients.
- 6.3 In respect of structural and marine freight containers, contracts-in-progress includes:
  - 6.3.1 Goods, namely fabricated structure, containers , bunk houses and railway wagons, despatched but not billed or reached billable stage at contractual rate;
  - 6.3.2 Goods covering all stages of production but are not in deliverable stage at cost or sale price whichever is lower; and
  - 6.3.3 Value of escalation bills raised, but not settled by the clients.

## 7. CLAIMS :

Duty Drawback, Cash Incentive, Insurance and all other claims have been accounted for as Sales/Value of work done / Claims, according to the nature of transaction, on the basis of realisation / settlement.

## 8. EMPLOYEE BENEFITS :

- 8.1 Gratuity Liability is accounted for on actuarial valuation basis and the same is contributed to Bridge & Roof Co. (India) Ltd. Employees' Gratuity Fund
- 8.2 Leave Encashment and other benefits are accounted for on the basis of actuarial valuation.

## 9. FOREIGN CURRENCY CONVERSION :

Foreign Currency monetary assets and liabilities pertaining to overseas projects are converted at the year end exchange rates whereas revenue items are converted at average exchange rates. The resultant gain or loss other than transactions relating to fixed assets is recognised in Profit and Loss Account.

## 10. MISCELLANEOUS :

- 10.1 Ascertainment of liability in respect of job contracts is made on the basis of advances given where finalization of rates with labour / sub contractors are under approval .
- 10.2 Adhoc/On-Account payments received from clients or made to suppliers/sub-contractors are treated as current liabilities or assets as the case may be, which on final settlement of bills, are adjusted against the respective accounts of Debtors and Creditors.

## Notes forming part of the Accounts for the year ended 31<sup>st</sup> March, 2011

### SCHEDULE - 8.2

#### NOTES TO ACCOUNTS

1. Additional information pursuant to the provision of Schedule VI Part-II of the Companies Act, 1956.

- a) Quantitative Information :  
In respect of goods manufactured other than Construction activities :

	Marine Freight Container			Fabricated Structures		
	Qty.	2010-11	2009-10	Qty.	2010-11	2009-10
i. Licensed Capacity	Nos.	5000	5000	M.T.	7800	7800
ii. Installed Capacity (as certified by the Management)	Nos.	3000	3000	M.T.	7800	7800
iii. Production	Nos.	38 BH	26 BH	M.T.	7443	8353
v. Turnover	Nos.	36 BH	24 BH	M.T.	7443	8353

(Production not in deliverable stage is reflected as Contract-in-Progress)

b) Particulars of consumption of Imported/Indigenous materials (excluding Customers' materials)

	(₹ Lakh)			
	2010-11		2009-10	
	Value	Percentage	Value	Percentage
<b>Raw Materials</b>				
Indigenous	24537.82	79.32	23908.45	80.37
Imported	604.27	1.60	663.48	1.85
<b>Components &amp; Spares</b>				
Indigenous	5902.08	19.08	5287.57	17.78
Imported	NIL		NIL	
<b>c) Value of Imports (CIF Basis) :</b>				
Raw Materials	495.33		550.68	
Components & Spares	NIL		NIL	
Capital Goods	NIL		NIL	
<b>d) Expenditure in Foreign Currency :</b>				
i) Royalty / Knowhow / Technical Consultation fees	NIL		NIL	
ii) Interest	NIL		NIL	
iii) Others	1223.11		2584.83	
<b>e) Earnings in Foreign Exchange :</b>				
Exports (Foreign Projects)	1054.40		2600.69	
<b>2. a) Directors' Remuneration :</b> (included under "Salaries and Wages" in Schedule 7.2) :				
Salaries	35.86		45.39	
Retirement Benefits	NIL		NIL	
Perquisites	1.10		1.65	
Contribution to Provident Fund	3.15		4.35	
	<u>40.11</u>		<u>51.39</u>	
<b>2. b) Auditors' Remuneration :</b>				
Audit Fee	1.63		1.63	
Tax Audit Fee	0.48		0.48	
Other Capacity	0.00		0.14	
Out of Pocket Expenses	0.21		0.37	
	<u>2.32</u>		<u>2.62</u>	

3. Miscellaneous Expenses includes ₹ 52.69 lakh (Net Credit ) in respect of difference in exchange from Foreign currency transactions/ conversions [Previous year- ₹ 92.44 lakh (Net Debit)].

4. Contingent Liabilities not provided for include :

- Counter-Guarantee of ₹ 67000 lakh given to the banks in respect of guarantees given by them on behalf of the Company (Previous year - ₹ 67000 lakh).
- Claims not acknowledged as debt amounting to ₹ 655.33 lakh in respect of Sales Tax and Income Tax(Previous year - ₹ 389.54 lakh).
- Commitments on account of unexecuted capital expenditure ₹ 1100.28 lakh (net of advance) (Previous year - ₹ 641.19 lakh).
- Disputes pending before the Civil Courts, the exact liabilities of which are not ascertainable except to the tune of ₹ 3.15 lakh (Previous year - ₹ 3.15 lakh).

5. There are no Micro, Small and Medium Enterprises as per THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 to whom the company owes dues, which are outstanding for more than 45 days at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the company.
6. The Company has a single segment namely construction including fabrication . It includes Civil and Mechanical Construction and Structural Fabrication activities executed against orders received from clients. Therefore, Segment Reporting as defined in Accounting Standard AS 17 issued by The Institute of Chartered Accountants of India, is not required.
7. As directed by Committee on Disputes (COD) , in order to resolve the issue between NHAI and the Company arising out of the contract awarded by NHAI for “rehabilitation, strengthening and four laning of Jalandhar-Phatankot section, Bhogpur to Mukerian (Km. 26 to 70) of NH1A in the state of Punjab contract package no. NS-38/PB”, the matter has been referred to Arbitration.
8. In order to resolve the dispute between IOCL and the Company arising out of execution of contracts awarded in 2003 and in 2006 at Panipat refinery, the matter has been referred to Permanent Machinery of Arbitration (PMA),DPE on 25.02.2011.
9. Deferred Tax assets has been recognized as Management considered it prudent to do so this year in view of reasonable certainty that sufficient taxable income would be available to realize these assets within a reasonable future time period. Break up of deferred tax assets recognized is given below :

	(₹ Lakh)	
	31.03.2011	31.03.2010
Depreciation on Fixed Assets	547.43	501.80
Leave Encashment	293.81	317.80
	<u>841.24</u>	<u>819.60</u>

10. Earning Per Share

	(₹ Lakh)	
	31.03.2011	31.03.2010
Net Profit (PAT) (₹ Lakh)	5767.85	4200.08
No. of Shares	54987155	54987155
Face Value per share (₹)	10.00	10.00
Basic and Diluted EPS (₹)	10.49	7.65

11. Contracts-in-Progress includes extra /substituted work and other claims for ₹ 1844.63 lakh (Previous year ₹ 399.21 lakh) considered realizable by the company, pending certification / acceptance by client / consultant .
12. Contracts-in-Progress consists of ₹ 47564.21 lakh for running jobs and ₹ 6657.54 lakh for closed jobs (Previous year ₹ 39766.37 lakh and ₹ 3447.03 lakh ).
13. Evaluation has been carried out of the assets to comply with the Accounting Standard - 28 'Impairment Of Assets' issued by The Institute Of Chartered Accountants Of India. On review of assets no adjustment was required to be made.
14. Loans and Advances (schedule 4.4) includes advance against capital expenditure amounting to ₹ 386.41 Lakh (Previous Year ₹ 300.85 Lakh).
15. In absence of reply from parties for confirmation, receivable and payable, balances are taken as per books of accounts.

16. Disclosure pursuant to requirements of Accounting Standard 7 for Construction Contracts :

(₹ Lakh)

Sl. No.	Particulars	Year Ended March 31st	
		2011	2010
1	Contract Revenue recognised in the period	128509.20	110996.05
2	Contract costs incurred and profit recognized upto the reporting date for Contracts in Progress	145099.50	133758.75
3	Amount of customer advances outstanding for contract in progress as at the end of the financial year.	18468.90	17807.52
4	Retention amounts due from customer for contracts in progress as at the end of the financial year.	12103.66	8085.26

17. Provision for liability in respect of Gratuity is made as per Actuarial valuation reports in respect of Bridge & Roof Employees' Gratuity Fund and Leave Encashment benefits, using the assumptions as given hereunder.

Net employees benefit expense recognised in the profit and loss account:

(₹ Lakh)

Sl. No.	Particulars	Year Ended March 31st 2011		Year Ended March 31st 2010	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	Current Service Cost	123.46	33.03	114.62	26.78
2	Interest cost on benefit obligation	165.41	95.52	144.50	88.17
3	Expected return on plan assets	(188.38)	NIL	(119.93)	NIL
4	Net actuarial loss recognised in the year	(51.98)	17.18	43.65	100.36
5	Past service cost	NIL	NIL	NIL	NIL
6	Net Benefit Expense	48.51	145.73	182.84	215.31



Details of defined benefit obligation:

(₹ Lakh)

Sl. No.	Particulars	Year Ended March 31st 2011		Year Ended March 31st 2010	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	Defined benefit obligation	2239.84	1198.12	1970.35	1249.39
2	Fair value of plan assets	2241.83	0.00	1970.41	0.00
3	Present value of unfunded obligations	1.99	(1198.12)	0.06	(1249.39)
4	Less: Unrecognised past service cost	NIL	NIL	NIL	NIL
5	Plan Liability	1.99	(1198.12)	0.06	(1249.39)

Changes in the present value of the defined benefit plan are as follows:

(₹ Lakh)

Sl. No.	Particulars	Year Ended March 31st 2011		Year Ended March 31st 2010	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	Opening defined benefit obligation	2142.51	1249.39	1955.00	1170.26
2	Interest cost	165.41	95.52	144.50	88.17
3	Current service cost	123.46	33.03	114.62	26.78
4	Benefits paid	(299.19)	(197.00)	(297.60)	(136.18)
5	Actuarial Losses on obligation	107.65	17.18	53.83	100.36
6	Exchange rate variation	NIL	NIL	NIL	NIL
7	Closed defined benefit obligation	2239.84	1198.12	1970.35	1249.39

Changes in the fair value of plan assets are as follows:

(₹ Lakh)

Sl. No.	Particulars	Year Ended March 31st 2011		Year Ended March 31st 2010	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	Opening fair value of plan assets	1970.41	0.00	1158.00	0.00
2	Expected return	188.38	0.00	119.93	0.00
3	Contributions by employer	222.60	197.00	979.90	136.18
4	Benefits paid	(299.19)	(197.00)	(297.60)	(136.18)
5	Actuarial Gains/(losses)	159.63	0.00	10.18	0.00
6	Exchange rate variation	NIL	NIL	NIL	NIL
7	Closing fair value of plan assets	2241.83	0.00	1970.41	0.00

(₹ Lakh)

Actuarial Assumptions	Particulars	Year Ended March 31st 2011		Year Ended March 31st 2010	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	Discount Rate (%)	8.50%	8.50%	8.30%	8.30%
2	Expected Return on Plan Assets	8.50%	8.50%	8.30%	8.30%

Amounts for the current and previous period are as follows:

(₹ Lakh)

Sl. No.	Particulars	Year Ended March 31st 2011		Year Ended March 31st 2010	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	Defined benefit obligation	2239.84	1198.12	1970.35	1249.39
2	Plan assets	2241.83	0.00	1970.41	0.00
3	Surplus/(deficit)	1.99	(1198.12)	0.06	1249.39
4	Experience adjustments on plan liabilities	NIL	NIL	NIL	NIL
5	Experience adjustments on plan assets	NIL	NIL	NIL	NIL

18. Miscellaneous Expenses include ₹ 674.31 Lakh (Previous Year ₹ 748.01 Lakh) withheld by client from bills for various purpose. Subsequent realisation of such amount is considered as income in the year of settlement/realisation.

19. Previous year's figures have been regrouped, recast and rearranged wherever necessary to conform to this year's classification.

## SCHEDULE - 8.3

Additional Information as required under Part IV of Schedule VI to the Companies Act, 1956.  
Balance Sheet Abstract and Company's General Business Profile :

### I Registration Details

Registration No.	3601
State Code	21
Balance Sheet Date	31.03.2011

(Amount in ₹ Thousand)

### II Capital raised during the year

Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	Nil

### III Position of Mobilisation and Deployment of fund

Total Liabilities	11733100
Total Assets	11733100

#### Sources of Fund

Paid up Capital	549872
Capital Suspense	Nil
Reserves & Surplus	1596157
Secured Loans	499028
Unsecured Loans	Nil

#### Application of Fund

Net Fixed Assets	491035
Investments	Nil
Net Current Assets	2069898
Misc. Expenditure	Nil
Accumulated Losses	Nil
Deferred Tax Assets	84124

#### IV Performance of Company

Turnover	13334945
Total Expenditure	12464061
Profit/(Loss) before Tax	870884
Profit/(Loss) after Tax	576785
Earning per share ( ₹ )	10.49
Dividend Rate	3%

#### V Generic Names of Three Principal Products/Services of Company (As per monetary terms)

Item Code No.	Product Description
8704	Motor vehicles for transport of goods ( Truck Mounted Container )
7308	Structures of Iron or Steel Plates, rods, angles, shapes sections, tubes and the likes prepared for use in structures of Iron & Steel including Bridge & bridge section.
8606	Railway Wagon

SCHEDULE - 8.4

Cash Flow Statement  
for the year ended 31<sup>st</sup> March, 2011

(₹ Lakh)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
<b>A. Cash Flows from Operating Activities :</b>		
Profit Before Tax	8708.84	6411.11
<b>Adjustments for :-</b>		
Depreciation	1383.59	1361.61
Foreign Exchange Gain	(52.69)	92.44
Interest Income	(137.35)	(140.42)
Interest Expense	664.82	1030.26
Profit on sale of Fixed Assets	(25.32)	-
Provision for CSR	117.31	-
<b>Operating Profit Before Working Capital Changes</b>	<b>10659.20</b>	<b>8755.00</b>
Increase/Decrease in Stock	(328.46)	2787.79
Increase/Decrease in Contracts-in-progress	(11008.35)	(7446.86)
Increase/Decrease in Debtors	(302.05)	(66.27)
Increase/Decrease in Loans & Advances	(8450.93)	(4169.33)
Increase/Decrease in Creditors	17055.62	10612.15
Payment of Bonus	(0.64)	(35.45)
Income Taxes paid	(2290.14)	(765.02)
Payment of Leave Encashment	(52.55)	(811.75)
<b>Net Cash from Operating Activities (A)</b>	<b>5281.70</b>	<b>8860.26</b>
<b>B. Cash Flows from Investing Activities :</b>		
Purchase of Fixed Assets	(1834.00)	(908.04)
Interest Received	137.35	140.42
Sale of Fixed Assets	25.58	1.68
<b>Net Cash from Investing Activities (B)</b>	<b>(1671.07)</b>	<b>(765.94)</b>
<b>C. Cash Flows from Financing Activities :</b>		
Proceeds from issuance of Share Capital	0.00	0.00
Proceeds from Long term borrowing	(900.00)	(600.00)
Interest Paid	(664.82)	(1030.16)
Dividend Paid	(109.98)	(54.99)
Dividend Tax	(18.26)	-
<b>Net cash from Financing Activities (C)</b>	<b>(1693.06)</b>	<b>(1685.15)</b>
<b>Net increase in Cash and Cash Equivalents (A+B+C)</b>	<b>1917.57</b>	<b>6409.17</b>
Cash & Cash equivalents at beginning of period	1235.38	(5081.35)
<b>Cash &amp; Cash equivalents at end of period</b>	<b>3152.95</b>	<b>1327.82</b>
<b>Note:</b>		
<b>Components of Cash &amp; Cash equivalents</b>		
Cash & Bank Balances	8195.92	6614.56
Cash Credit/Secured Loans	(4990.28)	(5379.18)
Effect of Exchange Rate Changes	(52.69)	92.44
<b>Cash &amp; Cash equivalents as stated above</b>	<b>3152.95</b>	<b>1327.82</b>

## TEN YEARS' DIGEST

(₹ Lakh)

Sl. No.	Particulars	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02
1	Value of Production / Work Done	132896.68	116201.03	93510.38	71063.17	61043.77	50651.69	45138.17	39355.19	36423.83	34421.02
2	Sales	133098.80	116328.48	93603.14	71274.30	61189.32	50831.20	45419.72	39484.62	36565.50	34556.51
3	Cost of Sales	122341.55	107525.50	86518.18	66806.18	58333.51	48780.66	43580.60	37800.35	35115.02	33013.71
4	Gross Profit before Depreciation and Interest	10757.25	8802.98	7084.96	4468.12	2855.81	2050.54	1839.12	1684.27	1450.48	1542.80
5	Depreciation	1383.59	1361.61	1521.24	1519.03	898.19	602.96	563.54	553.31	505.14	573.61
6	Gross Profit (PBIT)	9373.66	7441.37	5563.72	2949.09	1957.62	1447.58	1275.58	1130.96	945.34	969.19
7	Interest										
	(a) On Govt. Loans	70.99	180.28	261.34	342.63	275.36	31.44	Nil	235.26	230.13	208.17
	(b) On Other Loans	593.83	849.98	1976.58	1479.50	964.78	1105.34	1126.96	577.94	330.15	399.72
8	Profit Before Tax	8708.84	6411.11	3325.80	1126.96	717.48	310.80	148.62	317.76	385.06	361.30
9	Provision for Tax	2940.99	2211.03	1157.37	509.38	270.38	172.33	54.75	198.83	160.00	120.00
10	Profit after Tax	5767.85	4200.08	2168.43	617.58	447.10	138.47	93.87	118.93	225.06	241.30
11	Gross Block	19970.59	18137.15	17231.82	16206.06	13843.65	10967.28	10384.52	9982.51	9160.73	8644.10
12	Net Block	4910.35	4460.19	4915.44	5320.18	4326.31	2065.13	1881.36	2033.23	1764.54	1753.05
13	Working Capital	20698.98	16883.55	14176.35	12450.25	10751.96	9963.01	8709.08	6878.48	5734.11	5314.83
14	Long Term Loan	—	900.00	1500.00	2100.00	2700.00	1500.00	Nil	1101.22	1101.22	1101.22
15	Short Term Loan including Cash Credit	4990.28	5379.18	6716.82	6421.48	3498.10	3494.89	5088.72	3430.61	2104.95	1842.85
16	Share Capital	5498.72	5498.72	5498.72	5498.72	5498.72	3998.72	2498.72	1397.50	1397.50	1397.50
17	Reserves & Surplus	15961.57	10385.44	6313.60	4209.51	3638.72	3203.32	3076.25	2982.38	2894.98	2726.40
18	Capital Employed	25609.33	21343.74	19091.79	17770.43	15078.27	12028.14	10590.44	8911.71	7498.65	7067.88
19	Net Worth	21460.29	15884.16	11812.32	9703.08	9102.79	7117.39	5490.32	4295.23	4169.98	3975.90
20	Value Added	31422.99	26969.38	23594.12	16639.52	13467.61	11435.35	7100.66	10164.65	8811.06	8861.00
21	Salaries, Wages & Benefits	8730.28	8046.63	8095.91	5316.04	4236.39	4148.64	4339.51	4382.75	4215.46	3962.74
22	Value Added per employee	20.18	17.62	15.91	11.56	9.29	9.55	5.60	7.22	5.89	5.68
23	Contribution to Exchequer	10828.65	11008.28	8390.00	6826.06	4074.83	1560.00	1525.00	1511.00	1531.00	1248.73
24	Internal Resource Generation	7151.44	5561.69	3689.67	2136.61	1345.29	741.43	657.41	671.07	730.20	814.91
25	Exports (including deemed exports)	724.15	3321.60	1382.41	51.62	222.63	195.27	284.68	65.14	896.97	846.94
26	No. of Employees	1557	1531	1483	1439	1449	1198	1268	1408	1497	1559
27	Value Added per Rupee of Wages	3.60	3.35	2.91	3.13	3.18	2.76	1.64	2.32	2.09	2.24
28	Net Profit to Sales	4.33%	3.61%	2.32%	0.87%	0.73%	0.27%	0.21%	0.30%	0.62%	0.70%
29	Net Profit to Net Worth	26.88%	26.44%	18.36%	6.36%	4.91%	1.95%	1.71%	2.74%	5.40%	6.07%
30	Salaries & Wages to Sales	6.56%	6.92%	8.65%	7.46%	6.92%	8.16%	9.55%	11.10%	11.53%	11.42%
31	Material consumption to production	23.29%	25.60%	26.93%	36.27%	36.60%	37.12%	45.36%	37.27%	33.74%	34.09%
32	Inventory to No. of days of production	12	12	26	24	20	26	27	45	18	18
33	Sundry Debtors to No. of days of turnover	3	2	3	6	6	6	8	6	8	10
34	Gross Profit (PBIT) to Capital Employed	42.01%	41.24%	37.11%	25.14%	18.94%	17.05%	17.37%	18.80%	19.34%	21.83%



# **BRIDGE & ROOF CO. (INDIA) LTD.**

**ALL INDIA MARKETING MEET ON 26TH AUGUST, 2011  
AT ORDNANCE CLUB, KOLKATA**



ब्रिज एण्ड रूफ कम्पनी (इण्डिया) लिमिटेड  
**BRIDGE & ROOF CO. (I) LTD.**

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