

DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH, 2010

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 31st March 2010.



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)

	2009-2010	2008-2009
Income	1165.31	940.32
Gross Margin	88.03	70.85
Interest	10.30	22.38
Depreciation	13.62	15.21
Profit Before Tax	64.11	33.26
Provision for Taxation	22.11	11.58
Profit After Tax	42.00	21.68
Dividend	109.98	54.99
Tax on Dividend	18.26	9.35
Transfer to General Reserve	4029.84	2081.24

B) DIVIDEND

The Directors recommend a dividend of 2% (Two percent) per Equity Share of ₹ 10/- each for the financial year ended 31st March, 2010, 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 10th September, 2010.

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 31st March, 2010, 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 ₹ 1165.09 crores during the year 2009-2010, being 23.90% higher than ₹ 940.32 crores achieved during the previous year. The Profit Before Tax was ₹ 63.95 crores as compared to ₹ 33.26 crores in the previous year. In spite of enormous competition during the financial year 2009-10, the Company with its sustained efforts was able to achieve an outstanding and commendable performance.

Activity-wise performance is reported below:

PROJECT DIVISION :

Value of work done in Project activities during the year is ₹ 1109.96 crores as compared to ₹ 900.53 crores last year. Important projects which are successfully completed during the year include -

Description	Location	Client	Value (₹ Crores)
Civil & Structural Works of CDU/VDU & Testing of Fired Heaters for MS Block (CCR & NHT) for Bina Refinery Project	Bina	BORL	92.48
Construction of Permanent Houses for Tsunami affected people of Great Nicobar, Nancowry and Katchal Island including Internal Water Supply, Sanitary & Electrical Installations.	Andaman (Great Nicobar)	CPWD	88.58
Civil & Structural Work for DHDT & HGU of Residue Upgradation Project at Gujarat Refinery.	Vadodara	IOCL	72.82
Mechanical Equipment Erection Work (ISBL + OSBL + Heavy + Critical) & ISBL + Titanium Piping Erection Work	Haldia	MCPI	70.73
Civil, Structural, Architectural Work of Main Plant at CESC Budge Budge Project	Budge Budge	BHEL	66.97
Tankage Works for Crude Tanks Projects and NHT/CRU during shutdown at Manali Refinery	Chennai	CPCL	58.35
Civil & Structural Works for NHT/CCR Units (Part-A) & Offsites (Part-B) of Visakh Refinery Clean Fuel Project.	Vizag	HPCL	57.15
Construction of NAD, MTP and Demolition Facilities in Site 'E' for Project Seabird (Civil Works Package-V)	Karwar	Indian Navy	52.07
Crude Oil Storage Tanks & Associated Works at Crude Oil Terminal - Vadinar - Gujarat for Bina Refinery Project	Vadinar	BORL	51.14

HOWRAH WORKS :

During the year 2009-2010, value of production was ₹ 54.88 crores as compared to ₹ 38.40 crores last year. Manufacturing work executed during this financial year includes the completion of the following major orders received from various clients:

- Manufacture and supply of 3 Nos. BOXN-HL & 163 Nos. of BOBYN Wagons for Indian Railways. (Value ₹ 13.97 crores).
- Manufacture and supply of 2574 MT of Bailey Bridge components for DGBR, Tripura PWD, Arunachal Pradesh PWD, Bhutan Govt. & Private sectors, HSCL, HPPWD, NEEPCO Ltd. (Value ₹ 33.48 crores).
- Fabrication and Supply of 1496 MT of Railway Bridge Girders of different spans for East Central, Eastern & South Eastern Railway. (Value ₹ 12.49 crores)
- Fabrication & Supply of Boiler Ducts for Power Projects, of 43.40 MT total weight for BHEL. (Value ₹ 0.3484 crores)
- Manufacture & Supply of 39 Nos. Bunk Houses for NTPC, Tehri Hydro Development Corporation, JSPL, BRBCL. (Value ₹ 1.78 crores)



Stainless Steel Railway Wagon Manufactured at Howrah Work Shops

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.

C) CAPITAL EXPENDITURE :

Company has made capital expenditure of ₹ 9.08 crores during the year mainly towards purchase of construction equipment.

D) FOREIGN EXCHANGE EARNINGS & OUTGO :

Foreign Exchange Earnings during the year was ₹ 26.01 crores. Expenditure in Foreign Currency for import of raw materials, capital goods etc. amounted to ₹ 25.85 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 Schedule (Form- 'C') in Annexure -I 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 ₹ 1353.15 crores during the year 2009-2010 from Private as well as Public Sector clients compared to previous years order booking of ₹ 947.81 Crores.



Road Project at Vijayawada for NHAI



Construction of Group Gathering Station on Turnkey Basis at Gandhar Field, For Oil & Natural Gas Commission

Major Orders booked during the year:-

PROJECTS :

Description	Location	Client	Value (₹ Crores)
Composite works for offsite and Additional Tanks in Road Gantry Area for Marketing Terminal at Guru Gobind Singh Refinery Project at HMEL.	Bhatinda	HMEL	232.80
Civil, Structural and Architectural Job of Power Block with Auxiliary Building and other miscellaneous work at BHEL.	Marwa	BHEL	156.19
Civil, Structural and Architectural Job of Power Block with Auxiliary Building and other miscellaneous work at BHEL.	Korba	BHEL	101.41
Civil Engineering Works for Augmentation of Iron Ore Storage capacity of VSP.	Vizag	RINL	68.80
Erection, Testing & Assistance for Commissioning, Trial Operation and Handing over of Boiler and its Auxilliaries, etc. at BHEL.	Rihand	BHEL	62.85
Civil and Structural Works for Crude Oil Terminal (COT) at HMPL.	Mundra	HMPL	61.05
Civil, Tankage, Piping, Electrical, Instrumentation, Insulation, Painting related to 4 Nos. and 7 Nos. Cone Roof Tanks in 4 Separate Installation at CTF.	Mehsana	ONGC	58.94
Receipt from stores, erection, testing, commissioning, etc. of Boiler and Auxiliaries of Units 1 & 2 at Mahabir Prasad STPP, APNRL.	Jamshedpur	BHEL	56.38
Soil Improvement (stone column) and Boundary Wall Package for Anpara D Thermal Power Station.	Anpara	BHEL	53.45
Pile Foundation (Bored Piling) Package-H at Mundra Ultra Mega Power Project.	Mundra-Jetpur	PGCIL	45.28
Civil Works - Balance Portion for Dahej Backup Yard Development.	Dahej	APPPL	35.51

HOWRAH WORKS :

Description	Client	Value (₹ Crores)
Manufacture, Fabrication, Supply and Transportation of various spans of Bailey Bridge having Steel Deck Standard Wide carriageway width of 3.277M conforming to IRC Load Class 24R.	PWD	16.18
Supply and Fabrication of welded/riveted steel plate girders as per standard RDSO drawing for new line, doubling and gauge conversion projects including transportation to the site under CAO/CON/ECR.	E.C.RLY./ FSIPPL	7.97
Supply of Bailey Bridge Sets : 1 No. 60 ft., span DS - 30R, 1 No. 80 ft. TSR - 30R, Nos. 90 ft. DDR - 40R, 1 No. 110 ft. TS - 24R.	DGBR	6.26
Manufacture and supply of 4 Nos. 60 ft., 4 Nos. 80 ft. span, 1 No. 90 ft. span, 1 No. 120 ft. span and 1 No. 180 ft. span Unit Type Bailey Bridge 3.27 Mtrs. Width for IRC Class 24R Loading.	OTHER/ NEEPCO/ DPC/SER/DGBR/ RGB/HCL	5.55
Manufacture and supply of various types Bunk House of specific sizes.	NTPC/JSPL/ BRBCL/THDCL	1.27

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 are also being 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 :

The Company has been continuously pursuing to update technology and upgrade quality standards alongwith R&D efforts. The Company has already established successful operations in many diversified areas as POT Shells, Cross Country Pipeline, Highways and Expressways, Metro Rail, Furnace and Heaters, Main Boiler work in Thermal Power Station, Storage Silos for Alumina, Bailey Bridge, Water Supply and Sewerage Systems, LSTK Projects, Railway Wagons. The Company has taken up the programme for updating of Quality Management System. The Company has already been awarded ISO : 9001 : 2000 Certificates in Tank Construction and ISO 9001 : 2008 Certificates in Manufacture of Bailey Bridge, Wagon, Railway Bridge Girder and 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 Schedule (Form- 'B') in Annexure I forming part of this report.

3.0 HUMAN RESOURCE DEVELOPMENT :

Company's corporate policy of digging out the inherent and unlimited potential of its human resources to learn and grow continues to fuel its training and development activities in order to blend organizational priorities with individual aspirations of its employees. Conflicting concept of 'wage' as an income of employee as also cost to the Company eases out by nurturing such policy through improved productivity and efficiency. Like previous years there was no loss of even a single working day on account of strike or lock-out during the year.

For creating result oriented services, employees from all major project sites were imparted customized in-house occupational health and safety training, conducted by the National Safety Council, Mumbai at Howrah.

A) REPRESENTATION OF SC/ST AND DISABLED :

Whereas the representation of SC,ST and OBC persons in the overall employees strength continued to be maintained approximately at the same levels as reported during past years, the representation of persons with disabilities improved significantly as a result of concerted efforts taken up by the Company in this direction in tune with impetus given by the Government of India in this regard.

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 concerned authority for coverage under the jurisdiction of Central Administrative Tribunal, in order to implement its judgements/orders.

C) PROGRESSIVE USE OF HINDI :

In order to comply with various Government Directives regarding the "Progressive Use of Hindi" and to enhance awareness of employee regarding its use in the daily workings of the Company, B&R's Hindi Implementation Committee is c o n s t a n t l y pursuing its efforts. To review and monitor the progress achieved in this regard, OLIC Meetings are held in e a c h q u a r t e r. Regular Hindi Classes are conducted in the Company's premises to impart knowledge of Hindi to the non- Hindi k n o w i n g employees. Total number of employees who had passed the Hindi 'Prabodh', 'Praveen' and 'Pragya' Examinations upto M a r c h 2010, stands at 322, 294 and 265 respectively. 'Cash Awards' and 'Personal Pay' are granted to the employees for passing the Hindi Examinations as per Government Directives. "Rajbhasha Pakhwada" was observed from 14th to 28th September 2009 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. The Company is a 'Working Committee Member' of the Town Official Language Implementation Committee (PSUs) Calcutta (CALTOLIC) under the Ministry of Home Affairs and takes active part in all its Programmes. B&R was awarded the "Rajbhasha Protsahan Puraskar" by the 'Kendriya Sachivalaya Hindi Parishad' in its "Annual Hindi Conference" held on 22-05-2009 and "Rajbhasha Shield Puraskar" by the CALTOLIC, Government of India in its "Half Yearly Meeting-cum-Rajbhasha Shield Puraskar Vitaran Samaroh", held on 28-08-2009 respectively for better implementation of Hindi in Bridge & Roof.

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 any improvements are required to be undertaken.

5.0 CSR ACTIVITIES:

Recognising the responsibilities to the Society, your company has undertaken and is also in the process to undertake several activities directly and indirectly helping the community in bettering the life and environs in which they live as per the CSR Policy adopted by your company.

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 July 2009 consequent upon expiry of term of Shri C.R.Samadder as Part-time Non-official Director of the Company with effect from 10.05.2009, vide Letter No. 7(4)/99-PE-IV dated 02.05.2006 received from the Ministry of Heavy Industries & Public Enterprises, Dept. of Heavy Industry, Government of India, with the remaining directors on the Board, pending appointment of independent directors. Shri R.Manohar was appointed the Chairman of the Audit Committee. Three meetings of the Audit Committee were held during the Financial Year 2009-10.

In July 2010, the Audit Committee was further reconstituted on appointment of Shri R.P.Goel as Part-time Official Director of the Company with effect from 07.06.2010 vice Shri R.Manohar, comprising of the following available members Shri Mukesh Jha, Chairman-cum-Managing Director, Shri C.Choudhuri, Director (Finance). Shri R.P.Goel was appointed as Chairman of the Audit Committee.



Safety Awareness Programme at Project Site



Tankage work at Jamnagar, Gujarat for M/s. RIL

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, 2009, 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.

10.0 DIRECTORS :

Pursuant to Order No. 3(4)/2004-PE.IV dated 14.10.2009 and 03.05.2010 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 three months and six months with effect from 29.08.2009 and 29.05.2010 respectively, till the regular incumbent joins, or until further orders, whichever is the earliest.

Pursuant to Order No. 3(15)/2005-PE-IV dated 31.03.2010 received from Ministry of Heavy Industries & Public Enterprises, Department of Heavy Industry, Government of India, New Delhi, the Competent Authority has approved the continuance of Shri Mukesh Jha as Chairman & Managing Director, Bridge & Roof Company (India) Limited (B&R), Kolkata upto 30.04.2012 i.e. till completion of his five years tenure.

Pursuant to Order No. 7(3)/1998-PE.IV dated 7th June 2010 received from Ministry of Heavy Industries & Public Enterprises, Department of Heavy Industry, Government of India, New Delhi, Shri R.P.Goel was appointed as Part-time Official Director on the Board of the Company with effect from 7th June, 2010 vice Shri R.Manohar.

Shri Subhojit Dutta, Director (Project Management) retired on superannuation on 28.02.2010 (A.N).

11.0 MEMORANDUM OF UNDERSTANDING WITH GOVERNMENT OF INDIA :

Bridge & Roof Co. (India) Ltd. has been signing a Memorandum of Understanding (MOU) with Ministry of Heavy Industries, Government of India.

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. Santosh Jain & Co., Chartered Accountants, Kolkata and M/s. Jain Saraogi & Co., Chartered Accountants, Kolkata as Statutory Auditors of the Company for the Accounting Year 2009-2010 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 :13th August, 2010, Kolkata

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

ANNEXURE TO THE DIRECTOR'S REPORT FORM 'B'

ANNEXURE I

RESEARCH, DEVELOPMENT AND DIVERSIFICATION YEAR 2009-2010

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

- Manufacture of POT Shells.
- Cross Country Pipeline.
- Highways and Expressways.
- Main Boiler Work in Thermal Power Station.
- Furnace and Heaters.
- Manufacture of Railway Wagons.

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

- Receiving Order for POT Shells.
- Receiving Order for Cross Country Pipeline.
- Receiving Order for Highways and Expressways.
- Receiving Order for Furnace and Heaters.
- Receiving Order for Main Boiler Work.
- Receiving Order for different types of Wagons.

3. Future R&D Plan :-

- Manufacture of Pressure & non-pressure Vessels.
- Fire Fighting System.
- Modernisation of Steel Plants.
- Flyover Construction.
- Pumped Storage/Hydel Projects.

4. Expenditure in R&D in 2009-2010 :-

Capital : ₹ NIL
Revenue : ₹ 10,01,760/-
TOTAL : ₹ 10,01,760/-



DHDT Heater at on Turnkey Basis at CPCL, Chennai



POT Shell at BALCO Korba



Boiler Erection at Bakreswar Thermal Power Station for BHEL

5. Technology Absorption and Adaptation :-

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

- Total Foreign Exchange used : ₹ 25.85 Crores
- Total Foreign Exchange earned: ₹ 26.01 Crores

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)

Sl. No.	Forms of Energy	2009-2010			2008-2009		
		Energy Expenditure (₹ /Lakh)	Turn Over (₹ /Lakh)	%	Energy Expenditure (₹ /Lakh)	Turn Over (₹ /Lakh)	%
1	Electricity	111.64	5200.00	2.15	99.13372	3609.14	2.74
2	HSD	30.16		0.58	10.843		0.30
3	L.P.G	6.88		0.13	9.156		0.253
	TOTAL	148.68		2.86	119.13272		3.30

4. Details of Energy audit, if undertaken :

- a) When (Year) and by which agency : In the year 2009 - 2010, by
V S RAI ASSOCIATES
ENERGY MANAGEMENT CONSULTANT, TIRUPATI APARTMENT,
FLAT-1D,BD-205/206,KAMAL PARK, KOLKATA-711101
- b) Amount paid for energy audit : ₹ 14500/- (annual fees)
- 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 along with action taken thereon were noted and are under the process of implementation.

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

- i) To install LT Capacitor bank by which power factor (PF) was already improved
- ii) Phasing out of 500W & 200W HPI/HPL(N) lamps with 2x28W and 4x28W T-5 fixtures
- iii) To arrest the precious air leakage points, like ball valve, 'T' sockets and pipe joints etc. and also reduce the leakage demand as well as save energy substantially.

ANNEXURE-III

Group	NUMBER OF EMPLOYERS								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	600	89	2	30	36	6	1	5	43	9	-	-	-	-				
Group-B	144	24	-	5	21	2	-	1	-	-	-	-	-	-				
Group-C	502	28	1	13	11	1	-	-	21	4	-	-	-	-				
Group-D (Excluding Sweepers)	287	26	3	8	38	5	1	1	9	-	-	-	-	-				
Group-D (Sweepers)	10	10	-	-	-	-	-	-	-	-	-	-	-	-				
TOTAL	1543	177	6	56	106	14	2	7	73	13	-	-	-	-				