

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31st MARCH, 2008**

To,
The Shareholders,
Bridge & Roof Co. (India) Limited, Kolkata.

Gentlemen,

The Directors have pleasure in presenting their Annual Report and Statement of Audited Accounts for the financial year ended 31st March, 2008.

PERFORMANCE :

The Company achieved a turnover of Rs. 714.79 crores during the year 2007-2008, being 16.67% higher than Rs.612.67 crores achieved during the previous year. The Profit Before Tax is Rs. 11.27 crores as compared to Rs. 7.17 crores in the previous year. Owing to stiff competition, the turnover and profit margins were under tremendous pressure but the Company with its sustained efforts was able to achieve a better performance compared to last year.

Activity-wise performance is reported below:

PROJECT DIVISION :

Value of work done in the Project Division during the year is Rs. 678.68 crores as compared to Rs. 588.35 crores last year. Important projects which are successfully completed during the year include -



Description	Location	Client	Value (Rs.Crores)
Fabrication, erection, testing and commissioning of Floating Roof, Internal Floating Roof, Open Top Vertical Tanks and Under Ground Tanks including Cathodic Protection and Civil Works including Sand Pad Foundations for storage of Petroleum Products, Ethanol and Water for Bahadurgarh (Package I & II), Roof Drain System and Blast Cleaning & Painting of Job of above Ground Storage Tanks.	Bahadurgarh	HPCL	30.94
Strengthening and Paving of shoulders of SH 16 & 6 : Dholka to Bagodara (Km.0.000 to Km. 23.000) and Wataman to Pipri (Km. 69.600 to Km. 94.000)	Dholka - Pipri	GOG	89.66
Civil, Structural and Architectural Works for TG, Power Block Boiler, ESP and ESP Control Room, etc. for 1x500 MW Sanjay Gandhi Thermal Power Plant.	Birsinghpur	BHEL	105.17

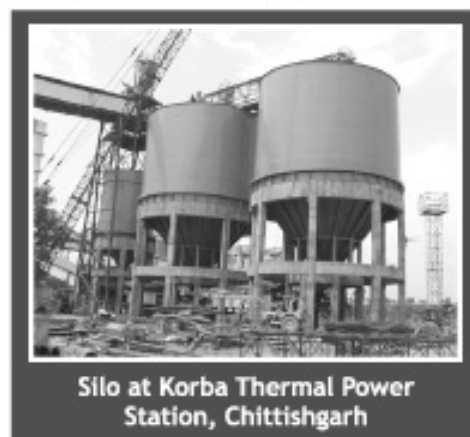
Description	Location	Client	Value (Rs.Crores)
Design, Fabrication and Erection of Tanks at Paradip (Orissa) Group -B : 8 Nos. 60000 KL capacity each, Double Deck Floating Roof Crude Oil Storage Tanks.	Paradip	IOCL	66.73
Design, Fabrication and Erection of Additional 4 Nos. of 60,000 KLS each Nominal Capacity Double Deck Floating Roof Crude Oil Storage Tanks including provision of Rim Seal Fire Protection System and stone columns by Vibroflot method and sand pad foundations along with allied civil works (4 Nos. DDFR Crude Oil Tanks : 79m dia. X 13.5m ht.)	Mundra	IOCL	21.94
Civil, Structural and Composite Work (Mechanical, Electrical & Instrumentation) for Terminals and Stations (Part-A) of Mundra - Delhi Pipeline Project.	Mundra/Santalpur /Palanpur	HPCL	45.69
Fabrication, erection, testing and commissioning of storage tanks for Petroleum Products, Ethanol and Water (including Civil Foundation, Cathodic Protection and Rim Seal Fire Protection Work) at Mundra I & II (6 Nos. 64m dia. x 13m ht. DDFR; 3 Nos. 44m dia. x 13m ht. SDFR; 2 Nos. 35m dia. x 13m ht. SDFR)	Mundra	HPCL	25.32
Fabrication and Erection of Double Deck Floating Roof Crude Oil Storage Tanks for SPM Project at Puthuvypeen.	Kochi	KRL	27.19

HOWRAH WORKS :

During the year 2007-2008, value of production was Rs. 31.95 crores as compared to last year Rs. 22.09 crores. Manufacturing work executed during this financial year includes the completion of the following major orders received from various clients:

- Manufacture and supply of 79 Nos. BTPN Wagons and 49 Nos. BOXNHS Wagons for Indian Railways (Value Rs. 4.91 crores).
- Manufacture and supply of 51 (Fifty One) Nos. POT Shells for Aluminium Smelting Plant for National Aluminium Co.Ltd. (Value Rs. 11.07 crores)
- Manufacture and supply of 34 Nos. (2820.164 M.T.) Bailey Bridges of different spans for Nepal Army, DGBR, Bhutan Govt. and H.P.PWD and many others (Value Rs.27.96 crores).

This remarkable achievement has been made possible due to sufficient order booking for Bailey Bridges, Pot Shells and Railway Wagons. However, the following hindrances prevented Howrah from achieving further improvement.



- 1) Unprecedented exorbitant & very frequent hikes in price of raw steel and various products thereof during last 6 months resulting in jeopardisation of procurement processes due to refusal of all concerned vendors/suppliers to submit the bid against enquiries.
- 2) Non availability of matching quantity of raw steel plates/ sections from SAIL for months even after several reminders.
- 3) Infrequent supply of free issue matching steel sections, Bogies, Couplers, Wheels etc. from Railway Authority as per the job requirement for production of Wagons. Railway Board is being regularly pursued on this issue.

OPERATING RESULTS :

Salient features of Company's financial performance for the year under report vis-à-vis last year are as under:
(Rs. in crores)

	2007-2008	2006-2007
Income	714.79	612.67
Gross Margin	44.68	28.55
Interest	18.22	12.40
Depreciation	15.19	8.98
Profit Before Tax	11.27	7.17
Provision for Taxation	5.09	2.70
Profit After Tax	6.18	4.47

DIVIDEND

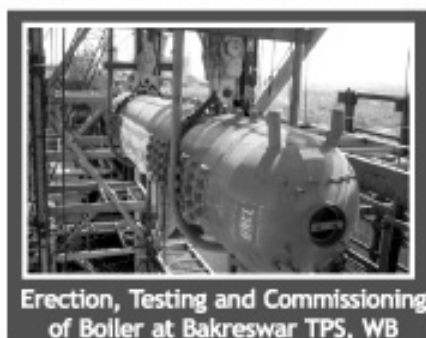
The Directors recommend a dividend of 1% (One percent) per Equity Share of Rs. 10/- each for the financial year ended 31st March, 2008, which if approved at the forthcoming Annual General Meeting, will be paid to all those Equity Shareholders whose names appear in the Register of Members as on 19th September, 2008.

CAPITAL :

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

Paid-up capital of the company as on 31st March, 2008, stands at Rs. 39.99 crores comprising of 3,99,87,155 equity shares of Rs. 10/- each, of which 3,99,27,155 equity shares were held by the erstwhile Holding Company, Bharat Yantra Nigam Ltd.

Consequent upon the sanction of capital restructuring scheme of the company by Government of India, Company received an amount of Rs.15 Crores towards Plan Equity vide Order No. 3(7)/2004-PE.IV dated 2nd September 2005. The said amount, being pending for allotment of shares have been shown as "Capital Suspense" as on 31st March 2008.



Subsequently on 6th May 2008 the shares of Bridge & Roof Co.(I) Ltd. held by Bharat Yantra Nigam Limited i.e. 3,99,27,155 equity shares were transferred in the name of President of India.

Further, on 20th June 2008, the allotment of 1,50,00,000 equity shares was made to President of India against the amount being pending for allotment of share held as 'Capital Suspense' as on 31st March 2008.

CAPITAL EXPENDITURE

Company has incurred capital expenditure of Rs. 25.20 crores during the year mainly towards purchase of construction equipment.

FOREIGN EXCHANGE EARNINGS & OUTGO :

There is no Foreign Exchange Earnings of the Company during the year. The expenditure in Foreign Currency for import of raw materials, capital goods etc. amounted to Rs. 345.30 lakh as indicated in 'Notes Forming Part of the Accounts, Schedule 8.2, 1(d), (e) and (f)'.

ORDER BOOKING POSITION :

Despite severe competition mainly from Private Sector companies, the Company with its sustained efforts secured order worth Rs. 1429.35 crores during the year 2007-2008 compared to Rs. 1103.03 crores in previous year from Private as well as Public Sector clients.

Major Orders booked during the year:-

PROJECTS :

Description	Location	Client	Value (Rs.Crore)
Residual Engineering, Strl.Design, Fabrication (including supply of Material / Construction / Items as required), Inspection, Erection and Testing of Fired Heaters for MS Block (CCR & NHT) - Bina Refinery Project.	Bina	BORL	52.72
Civil, Structural and Architectural Works for BOP (Balance of Plant) including Plant Boundary Wall, Roads & Drains, Land Development, etc.complete at 2x125 MW Surat Lignite Power Plant (Expansion Unit 3 & 4), Gujarat Industries Power Company Ltd.	Surat	BHEL	61.41
Civil Work of Power Block-I covering Power House including Common Control Room Bay, Mill Bay, Aux.Buildings, Misc.Civil Works, etc. for 2 x 500 MW Unit 1 & 2 Mejia-B Thermal Power Station.	Mejia	BHEL	70.83
Civil, Structural & Architectural Works of Main Plant and Balance of Plant Equipments for 2 x 30 MW, GTG Based, Co-Generation Plant at IOCL, Gujarat Refinery.	Vadodara	BHEL	36.65
Civil & Structural Work for DHDT & HGU of Residue Upgradation Project at Gujarat Refinery.	Vadodara	IOCL	63.38
Civil, Structural, Architectural Works for Power Block Unit No.2 (Package-B) comprising of Plant Area Grading & Levelling, Boundary Wall, Main Power House Building (Unit No.2), some auxillary buildings including CW Pump House i/c Forebay & CW Duct, Raw Water Reservoir, Ash Pond, FW Pump House & Reservoir, etc. for 2 x 500 MW Unit 1 & 2 at Durgapur Steel Thermal Power Station.	Andal (Durgapur)	BHEL	414.59

Construction of Permanent Houses for Tsunami affected people of Great Nicobar, SH: Construction of 267 Nos. of Permanent Houses at Jogindar Nagar including Internal Water Supply, Sanitary & Electrical Installations.	Andaman (Jogindar Nagar)	CPWD	34.70
Civil, Structural, Architectural Work of Main Plant Civil Package for 1 x 250 MW Unit 3 at CESC Budge Budge Project.	Budge Budge	BHEL	40.53
Mechanical Works comprising Erection of Equipments & Machinery, Fabrication & Erection of Piping, Painting & other related Civil & Structural Works of CDU/VDU for Bina Refinery Project.	Bina	BORL	30.82
Mechanical Works for LLDPE/ HDPE (Swing) Unit for Panipat Naptha Cracker Project for IOCL.	Panipat	EIL	32.75
Mechanical Works for Offsites for Bina Refinery Project.	Bina	BORL	66.54
Erection and Commissioning of Boiler, Rotating Machines and Duct, ESP, Critical Piping, Misc.Piping etc. for Unit 2 and Material Unloading, Handling and Materials Management of Complete Plant Material of both the units (1 & 2) of 2x500 MW Mejia B (PH-II) Project.	Mejia	BHEL	58.01
Mechanical Works for MS Block for Bina Refinery Project.	Bina	BORL	31.58
Tankage Work (Part-A) for Bina Despatch Terminal.	Bina	BPCL	44.55
Tankage Works for Crude Tanks Projects at Manali Refinery.	Chennai	CPCL	55.99
Construction of one New Dry Crude Tank by dismantling existing two tanks and relocation/ rearrangement of Associated Civil, Piping, Electrical & Instrumentation work at GC-1.	Kuwait	KOC	34.00

HOWRAH WORKS :

Description	Client	Value (Rs.Crores)
Manufacture and Supply of 22 Nos. Carbon Steel POT Shells for Smelter Phase-II Expansion Project at Angul.	NALCO	4.88
Supply & Fabrication of 12.2 M & 18.3 M welded steel composite girders as per standard RDSO drawing for new line, doubling and gauge conversion projects including transportation to the site under CAO/CON/ECR for quantity 676.91 MT, 227.93 MT.	E.C.RLY	6.22
Manufacture, Supply, Transportation & Erection of 1 no. 120 ft., 1 no. 180 ft. & 2 nos. 200 ft. span Bailey Bridges of width 4.25 Mtrs. for IRC Load Class 40R.	Hindustan Construction Ltd.	6.12
Manufacture, Supply, Inspection & Transportation of 1 no. 180 ft., 2 nos. 110 ft. & 1 no. 160 ft. span Bailey Bridges of width 3.27 Mtrs. (10ft. 9 in.) for IRC Class 24R Loading.	PWD	10.46
Manufacture and Supply of 17 Nos. of various span Bailey Bridges.	ACPL, DKK, DGBR, GOA, L&TL, NHEPCL, RRE, RGOB, RTI, SEL, SSJVPPL, WSC, AND THDCL	6.61
Supply & Fabrication of 59 Nos. BTPN Type Eight Wheeler BG Bogie Railway Wagon 20 Nos. BOX-HS Type and 50 Nos. BOBYN Type.	Indian Railways	5.42

ENERGY CONSERVATION :

Energy Audit has been conducted by External Experts. This being a continuous process, various steps for improvement have been undertaken, in line with the recommendations of Energy Audit Report.

TECHNOLOGY, R&D AND QUALITY :

The Company has been continuously pursuing to update technology and upgrade quality standards alongwith R&D efforts. It has already established successful operations in many diversified areas such as Cross Country Pipeline, Mechanized Construction of Highways and Expressways, Metro Rail at Delhi, Furnace and Heaters, Main Boiler Work in Thermal Power Station, Storage Silos for Alumina, Bailey Bridge, Railway Wagons, Water Supply and Sewerage Systems, LSTK Projects.



Road Project under progress at Vijayawada

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 Manufacture of Bailey Bridge and Wagons. The Surveillance Audit has been carried out successfully periodically by External Auditor M/s. DNV.

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

HUMAN RESOURCE DEVELOPMENT :

Company's philosophy on corporate governance is guided by a strong emphasis on transparency, accountability and integrity which is being practiced over the years. All employees are bound by a code of conduct which sets forth Company's policies on all important issues including its relationship with customers and Government Agencies. This message has been drilled down to all levels of employees. Since a right mixture of what Company expects from the employees and what employees desire from the Company is constantly formulated through interactive and participative relationship between Management and Employees, a sense of belongingness amongst its employees is being developed progressively. Training is an integral part of Company's business strategy. During the period, execution of identified training needs was made with emphasis on improving competencies towards collaborative and sustainable approach to strategic business planning commensurate with recent trends in domestic as well as international business scenario. Such planning reflected the organizational needs being currently addressed in the form of improving Enterprise Resource Planning system and bringing further diversification in Company's product range.



Coal Silo under construction at Meramandali, Orissa

REPRESENTATION OF SC/ST :

There is virtually little change in the position of representation of Scheduled Caste and Scheduled Tribe, OBC and Disabled persons in the total employment strength, as reported during past years, since no fresh induction is being made over the years. Backlog position will be taken up for consideration if and when the process of recruitment resumes.

PROGRESSIVE USE OF HINDI :

During the year under review, efforts continued for increasing the progressive use of hindi by actively and vigorously implementing the provisions of the Official Languages Act, Annual Programme and other directives received from Government of India in this regard from time to time. In order to fulfill the target of imparting knowledge of hindi to the non-hindi knowing employees within the stipulated period, regular hindi classes under Hindi Teaching Scheme are arranged within the company premises. With a view to evaluate the progress achieved in this area, OLIC meetings are held in each quarter. "Hindi Fortnight" was observed from 14th to 28th September, 2007, during which various hindi competitions/programmes etc. were organized.

AUDIT COMMITTEE :

The Board of Directors constituted an Audit Committee comprising Shri Mukesh Jha, Managing Director and Additional Charge of Director (Finance)/Director (Project Management), Dr. C.R. Samadder, Part-time Non-official Director and Shri M. Pal Chaudhuri, Part-time Non-official Director as Chairman of the Audit Committee. Audit Committee was again reconstituted in March, 2008 after appointment of Shri R.P. Goyal as Part-time Official Director representing Administrative Ministry (HI&PE), Government of India vice Shri S. Siddharth and consequent upon cessation of Shri Subhojit Dutta as Director (Project Management) of the Company vide Letter No. 3(4)/2007-PE.IV dated 29.2.2008 received from the Ministry of Heavy Industries & Public Enterprises, Dept. of Heavy Industry, Government of India. Three meetings of the Audit Committee were held during the Financial Year 2007-08.

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, 2008, 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.

DIRECTORS :

Pursuant to Order No. 7(32)/2002.PE.IV dated 17th August 2007 received from the Ministry of Heavy Industries and Public Enterprises (Department of Heavy Industry), Government of India, it was resolved that Shri A. K. Jain, Managing Director of Bharat Pumps & Compressors Ltd. entrusted with the additional charge for the post of Chairman & Managing Director of BYN, be extended for a further period of six months with effect from 11th September 2007 or until further orders, whichever event occurs earlier. Further, vide Order No. 7(32)/2002-PE.IV dated 12th March 2008, Government of India had extended the tenure of Shri A.K. Jain as Chairman & Managing Director (Additional Charge) of Bharat Yantra Nigam Ltd., for a further period of three months with effect from 11th March 2008 or until further orders, whichever event occurs earlier. Accordingly he also held the charge for the post of Chairman of the Company during this period. Pursuant to Order No. 7(3)/1998-PE.IV dated 17th December 2007 received from Ministry of Heavy Industries & Public Enterprises, Department of Heavy Industry, Government of India, New Delhi, Shri R.P.Goyal was appointed as Part-time Official Director on the Board of the Company with effect from 17th December, 2007 vice Shri S.Siddharth. Pursuant to Order No. 7(2)/2002.PE.IV dated 18th July 2008 received from Ministry of Heavy Industries & Public Enterprises, Department of Heavy Industry, Government of India, New Delhi, Shri Mukesh Jha, Managing Director of the Company was re-designated as Chairman-cum-Managing Director of the Company with effect from 18th July, 2008, subsequent to the separation of Bridge & Roof Co.(I) Ltd. from Bharat Yantra Nigam Limited as its subsidiary company. The Board placed on record its appreciation for the valuable services rendered by Shri A.K.Jain during his tenure of service as Chairman of the Company. Pursuant to Order No. 3(4)/2004-PE.IV dated February 29th, 2008 received from Ministry of Heavy Industries & Public Enterprises, Department of Heavy Industry, Government of India, New Delhi, Shri Subhojit Dutta, Director (Project Management), ceased to be Director (Project Management) of the company beyond 29th February 2008. Vide Order No. 3(4)/2004-PE.IV dated 29th February 2008 Shri Mukesh Jha was also entrusted the additional charge of the post of Director (Project Management) of the company for a period of three months or till such time the regular appointment is made, or until further orders, whichever is earlier, which was further extended pursuant to Government Order No. No.3(4)/2004-PE-IV dated 28th July 2008 till 30th September 2008 or until further orders, whichever is earlier. Pursuant to Order No. 3(12)/2006-PE-IV dated 15th November 2007 the additional charge of the post of Director (Finance) of the company held by Shri Mukesh Jha with effect from 9th May 2007 was extended for a period of six months beyond 8th November 2007 or till the appointment of a new incumbent, or until further orders, whichever event occurs the earlier. This was extended for a further period of six months beyond 8th May 2008, vide Order No. 3(12)/2006-PE-IV dated 05th May 2008. Pursuant to Order No. 7(3)/98-PE.IV dated 5th August 2008 received from Ministry of Heavy Industries & Public Enterprises, Department of Heavy Industry, Government of India, New Delhi, Shri R.Manohar was appointed as Part-time Official Director on the Board of the Company with effect from 5th August, 2008 vice Shri R.P.Goyal. Shri M.Pal Chaudhuri retires by rotation and being eligible offer himself for re-appointment.

DE-LINKING FROM BYNL, THE HOLDING COMPANY :

Consequent upon decision taken by Government of India vide Department of Heavy Industry's letter No. 7(2)/2002-PE.IV dated 30.04.2008 regarding closure and winding up of Bharat Yantra Nigam Limited (BYNL) and the transfer of 3,96,27,155 Equity Shares of Rs.10/- each of B&R on 06.05.2008 held by BYNL to the President of India, BYNL is no longer the Holding Company of B&R from 06.05.2008.

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 2007-2008 under Section 619(2) of the Companies Act, 1956.

ACKNOWLEDGEMENT :

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, Bharat Yantra Nigam Limited and 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
Bridge & Roof Co. (India) Limited

Dated : 19th August, 2008, Kolkata

(MUKESH JHA)
CHAIRMAN-CUM-MANAGING DIRECTOR

**ANNEXURE TO THE DIRECTOR'S REPORT
FORM ' B '
RESEARCH, DEVELOPMENT AND DIVERSIFICATION YEAR 2007-2008**

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

- Manufacturing of Railway Wagons.
- Highways and Expressways.
- Storage Silos for Alumina.
- Main Boiler Work in Thermal Power Station.
- Furnace and Heaters.



**Power House Building for 210 MW
Bakreswar Thermal Power Station**

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

- Receiving Order for different types of Wagon.
- Receiving Order for Highways and Expressways.
- Receiving Order for Soil Densification by Vibro-Flot Method.
- Receiving Order for Main Boiler Work.
- Receiving Order for Bailey Bridge.
- Receiving Order for Furnace and Heaters.



**ICCR Cultural Complex and Regional
Centre for Ministry of External
Affairs, New Delhi at Kolkata**

3. Future R&D Plan :-

- Cross Country Pipeline.
- Flyover Construction.
- LPG Bullet Tank.
- Fire Fighting System.
- Modernisation of Steel Plants.



**POT assembly for Smelter Project
at NALCO, Angul, Orissa**

4. Expenditure in R&D in 2007-2008 :-

Capital : Rs. NIL
Revenue : Rs. 6,78,245/-

TOTAL : Rs.6,78,245/-

5. Technology Absorption and Adaptation :-

Pump Storage Project	Our Associate STUP CONSULTANTS	Have executed the work successfully
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