

## CONTENTS

	Page No.
1 Board of Directors	3
2 Notice to the Shareholders	4 - 6
3 Chairman's Message	7
4 Directors' Report	8 - 42
5 Independent Auditor's Report	43 - 51
6 Comments of the Comptroller and Auditor General of India	52
7 Balance Sheet	53 - 54
8 Statement of Profit and Loss	55
9 Statement of Cash Flows	56 - 57
10 Statement of Changes in Equity	58
11 Company Information, Significant Accounting Policy & Notes to Financial Statement	59 - 102



## LIST OF DIRECTORS IN BBJ FOR THE FINANCIAL YEAR 2018-19

	<b>Name</b>	<b>Period</b>
	Shri Sundar Banerjee Chairman & Managing Director	Full Year
	Shri Sundar Banerjee Director (Technical)	Full Year
	Shri R. K. Mitra Director (Finance)	Full Year
	Shri S. K. Singh Official Director	Full Year
	Smt. Bela Banerjee Independent Director	Full Year
	Shri Tapas Kumar Chatterjee Independent Director	Full Year
Auditors	: ARSK & Associates Chartered Accountants	
Solicitor	: Fox & Mondal Kolkata Sandersons & Morgans Kolkata	
Bankers	: State Bank of India Canara Bank HDFC Bank Axis Bank Yes Bank	
Registered Office	: 27, R. N. Mukherjee Road, Kolkata - 700001	

## **Notice to the Shareholders**

Notice is hereby given that the 33rd ANNUAL GENERAL MEETING of the Shareholders of **The Braithwaite Burn and Jessop Construction Company Limited** shall be held on Monday, September 30, 2019 at 15:00 Hrs. at Hotel Hindustan International, A-235/1, AJC Bose Road, Kolkata – 700020, W. Bengal to transact the following business :-

### **Ordinary Business :**

1. To receive, consider and adopt the Audited Financial Statements containing the Balance Sheet as at 31st March, 2019, Statement of Profit and Loss, Cash Flow and Changes in Equity including Notes etc. forming part thereof for the financial year ended 31st March, 2019 together with Report of the Board, drawn up to the date of AGM, Report of Independent Auditors & Comments of Comptroller and Auditor General of India thereon.
2. To Declare Dividend for the financial year 2018-2019.
3. To authorize the Board of Directors of the Company to fix remuneration of the Independent Auditors, to be appointed by The Comptroller and Auditor General of India for the Financial Year 2019-2020.
4. To take note of the Appointment of Directors made by Government Order.

BY ORDER OF THE BOARD

(Navin Kumar Mishra)

**COMPANY SECRETARY**

Regd. Office :  
27, R.N.Mukherjee Road .  
Kolkata – 700001  
Date : September 05, 2019

### **NOTE :**

A Member entitled to attend and Vote at the Meeting is entitled to appoint a Proxy to attend and Vote instead of himself and such Proxy need not be a Member of the Company.

### **Proxy form**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

**CIN: U70100WB1986GOI041286**

Name of the Company: **THE BRAITHWAITE BURN AND JESSOP CONSTRUCTION COMPANY LIMITED**

Registered office: **27, R. N. Mukherjee Road, Modi Building, Kolkata, WB 700001. INDIA**

Name of the Member(s):
Registered address:
E-mail Id:
Folio No/ Clint Id:
DPID: Not Applicable

I/ We being the member of the Company holding.....shares in the above named Company, hereby appoint

1. Name: ..... Address: ..... E-mail Id: .....  
Signature: ....., or failing him

1. Name: ..... Address: ..... E-mail Id: .....  
Signature:....., or failing him

1. Name: ..... Address: ..... E-mail Id: .....  
Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of members of the Company, to be held on ..... at the..... at ....., and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

- 1 .....
- 2 .....
- 3 .....
- 4 .....

**Affix Revenue Stamp**

Signed this ..... day of..... 2019

Signature: .....(Signature of Shareholder)

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.

## **Addendum to the Notice to the Shareholders dated September 05, 2019**

Further to our Notice dated September 05, 2019 for convening the **33<sup>rd</sup> ANNUAL GENERAL MEETING** of the Shareholders of **The Braithwaite Burn and Jessop Construction Company Limited** to be held on **Monday, September 30, 2019 at 15:00 Hrs.** at **Hotel Hindustan International**, A-235/1, AJC Bose Road, Kolkata – 700020, W. Bengal, to transact the ordinary business, Comments of Comptroller and Auditor General (C&AG) is placed herewith. As per the Direction given by the C&AG, Independent Directors have submitted their **REVISED INDEPENDENT AUDITORS' REPORT** dated 23 September, 2019 incorporating audit observations raised by C&AG during supplementary audit. This **REVISED INDEPENDENT AUDITORS' REPORT** dated 23 September, 2019, superseded their earlier Audit Report dated 30 August, 2019.

Audited annual accounts and the Independent Auditors Report dated 30 August, 2019 have been already circulated to the Shareholders.

In view of the above, following are submitted herewith as being part of Annual Report of the Braithwaite Burn and Jessop Construction Company Limited for Financial Year 2018-19:

1. Chairman's Message,
2. Directors Report with Annexures and Comments of Comptroller and Auditor General, made upto the date of AGM, approved by the Board,
3. **REVISED INDEPENDENT AUDITORS' REPORT** dated 23 September, 2019, superseding their earlier Audit Report dated 30 August, 2019,

It is requested to replace already circulated set of Annual Report for FY 2018-19 with the new set of Annual Report for FY 2018-19 enclosed herewith.

**BY ORDER OF THE BOARD**

(Navin Kumar Mishra)

**COMPANY SECRETARY**

**Regd. Office :**

27, R.N.Mukherjee Road .

Kolkata – 700001

Date : September 30, 2019

**Copy To : All Directors & Statutory Auditors**

## **CHAIRMAN'S MESSAGE**

**Dear Shareholders,**

On behalf of the Board of Directors, I have great pleasure welcoming you all to the 33rd Annual General Meeting of the company. A copy of the Annual Report containing Directors' Report and the Audited Accounts for the year ended 31st March, 2019 together with Auditors Report and comments of C&AG along has already been circulated and with your permission, I take them as read.

Before I proceed to take up the formal agenda of today's meeting; I would briefly like to share with you, the performance of your company during the year 2018-19. Despite the challenges, the Company was able to report operative income of Rs. 10,500 lakh as against Rs. 8,844 lakh in previous financial year whereas the net profit for the period under review was approx Rs. 36 lakh as against a net profit of Rs. 238 lakh during the previous financial year.

Decline in Net Profit is attributable to several reasons, mainly due to increase in operating expenses to achieve higher revenue target and revision in the pay scale of Executives, Non-unionised staffs & other employees during FY 2018-19. The Board of Directors have recommended dividend of @ 9%, approx. per equity share of the face value of ₹1,000 each aggregating to ₹1088.00 lakh and placed before the shareholders for its approval. The dividend pay-out is in accordance with the Guidelines on Capital Restructuring of Central Public Sector Enterprises (CPSEs), issued by the Department of Investment and Public Asset Management (DIPAM).

The Company is continuing to undertake various steps aimed at further reduction in costs. Besides above, the Company is also continuing to make efforts to develop business in existing areas as well as new areas for a sustained development and growth in future. From a medium to long-term perspective, Infrastructure Sector will continue to offer sizeable headroom for growth on account of major policy initiatives of Govt. of India.

The industrial relations in the company remained cordial throughout the year.

The company is committed to adhere to the corporate governance guidelines issued by DPE, Govt. of India. Quarterly & Annual compliance report under Corporate - Governance guidelines is filed with DPE within the prescribed due date, without delay. As per Grading Report of CPSEs (2018-19) issued by DPE, BBJ has achieved 'Excellent' Grade for Corporate Governance. Detailed Report on Corporate Governance has been brought out separately in the annexure to Directors' Report of the Company.

I, on behalf of Board Members, would like to place on record deep appreciation for the valuable guidance and significant contributions made by Smt. Bela Banerjee and Shri Tapas Kumar Chatterjee, Independent Directors during their tenure up to 02-06-2019 as Independent Directors of the Company, who have since ceased to be on the Board of the Company. I take this opportunity to express my sincere thanks and gratitude to my colleagues on the Board of Directors for their valuable support and co-operation in the management of the company.

I am also thankful for the whole-hearted support received from Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises and other Ministries and Departments of Govt. of India, State Governments, Financial Institutions, Banks, Regulatory And Statutory Authorities, Shareholders, C&AG & Statutory Auditors, Legal Advisors and Consultant and look forward for their continued support in Company's future endeavours.

I, on behalf of the entire Board of Directors, sincerely thank the employees of BBJ at all levels and would like to place on record our appreciation for their hard work and dedication.

Thank you all.

Date : 30th September, 2019

Place : Kolkata

**Sundar Banerjee**  
**Chairman & Managing Director**

THE BRAITHWAITE BURN AND JESSOP CONSTRUCTION COMPANY LIMITED

DIRECTORS' REPORT

To  
The Shareholders,  
The Braithwaite Burn and Jessop Construction Company Limited

Your Directors have pleasure in presenting the 33<sup>rd</sup> Annual Report on the Company's Operation and Performance together with Audited Accounts for the financial year ended 31<sup>st</sup> March, 2019.

1 FINANCIAL HIGHLIGHTS

1.1 The Financial Statements of the Company are prepared on accrual basis of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto to the extent notified and applicable provisions under Companies Act, 2013 and applicable provisions under Companies Act, 1956. First Ind AS compliant financial statements and Ind AS 101 'First Time Adoption of Indian Accounting Standards' were applied during previous FY 2017-18. This is the second financial year of reporting under Ind AS.

1.2 A summary of Financial Performance of the company for the financial year 2018-2019 vis-à-vis 2017-2018 is given below:-

PARTICULARS	( ₹ in Lakh)	
	2018-2019	2017-2018
Revenue from Operation	10500.77	8844.06
Other Income	1464.77	1276.29
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	361.29	695.99
Less: Depreciation/ Amortisation/ Impairment	135.93	125.65
Profit/loss before Finance Costs, Exceptional items and Tax Expense	225.36	570.34
Less: Finance Costs	65.47	108.41
Profit/loss before Tax Expense	159.88	461.93
Less: Tax Expense (Current & Deferred)	123.75	223.33
Profit/loss for the year	36.13	238.60

1.3 Despite the constraints and challenges, your company achieved total income of ₹ 11965.55 Lakh as against the ₹ 10120.35 Lakh during the previous year. With the current slowdown in the market, BBJ consciously targeted remunerative orders from Railways and other Clients, giving impetus of growth both in terms of Turnover and profitability.

1.4 Your Company's Profit Before Tax (PBT) for the period under review is ₹ 159.88 Lakh as against ₹ 461.93 Lakh in 2017-18.



## **The Braithwaite Burn and Jessop Construction Company Limited**

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- 1.5 Profit After Tax (PAT) for the FY 2018-19 is ₹36.13 Lakh in comparison to ₹238.60 Lakh during FY 2017-18.
- 1.6 Despite the challenges, your company once again succeeded in its endeavor to maintained the track record of a consistent profit making and dividend paying CPSE.

### **2 CAPITAL STRUCTURE**

- 2.1 There was no change in the capital structure of the Company during FY 2018-19. The Authorized Capital as on 31<sup>st</sup> March, 2019 was ₹ 34810 lakh and paid-up share capital was ₹ 12086.05 lakh.

### **3 GENERAL RESERVES**

General Reserves as on 31<sup>st</sup> March, 2019 stands at ₹ 1623.65 lakh (Previous FY 2017-18 ₹1473.65 lakh)

### **4 DIVIDEND**

- 4.1 In continuation with its track record of consistent Profit making and Dividend paying CPSE, the Board of Directors of your company at the 145<sup>th</sup> Meeting held on August 30, 2019 recommend a dividend @ 9%, approx. per equity share of the face value of ₹ 1,000 each aggregating to ₹ 1088.00 lakh. Dividend would become payable to the Govt. of India after its approval by the Shareholders of the Company at the ensuing Annual General Meeting to be held shortly on or before September 30, 2019.
- 4.2 dividend distribution tax on the dividend shall be paid as per extant provisions under Income Tax Act, 1961.
- 4.3 The dividend pay-out is in accordance with the Guidelines on Capital Restructuring of Central Public Sector Enterprises (CPSEs), issued by the Department of Investment and Public Asset Management (DIPAM).

### **5 MANAGEMENT DISCUSSION AND ANALYSIS**

#### **5.1 BRIEF PROFILE OF THE COMPANY**

5.1.1 Incorporated on 17<sup>th</sup> September, 1986 as a Government of India Undertaking, President of India through Department of Heavy Industry (DHI), Ministry of Heavy Industries & Public Enterprises, Government of India holds 100% of share capital. Quality Management System of BBJ is in accordance with requirements of Quality Policy and certified under ISO 9001:2008 certification. The Company is a Schedule 'C' Central Public Sector Enterprise under DHI.

5.1.2 The Company is engaged in the business of:

- Engineering Procurement & Construction (EPC) business – steel bridges, and
- Project Management Consultant (PMC) business – civil construction job

5.1.3 Projects undertaken by the company are spread in different parts of the country.

## 5.2 DEFINED VISION MISSION & OBJECTIVE OF BBJ :

### 5.2.1 VISION

“To innovate, design and construct Bridges and other Engineering marvels with high Engineering standard through state of art technology and cost efficient practices.

To remain profitable, productive, creative, compliant and financially sound with care and concern for all stake holders”

### 5.2.2 MISSION & OBJECTIVE

- To become a world class premier Engineering Project implementing organization.
- To construct signature Bridges and Engineering marvels with in and outside the country.
- To be innovative, entrepreneurial, constantly creating value and attaining global benchmarks.
- Committed to total customer satisfaction and continuously enhancing capabilities of the organization and employees through innovation and skill upgradation.

## 5.3 INDUSTRY STRUCTURE AND DEVELOPMENTS

### 5.3.1 GLOBALECONOMY :

5.3.1.1 The global economy will continue to grow at a steady pace of around 3 percent in calendar years 2019 and 2020, after an expansion of 3.1 per cent in 2018 amid signs that global growth has peaked. However, a worrisome combination of development challenges could further undermine growth, according to the United Nations World Economic Situation and Prospects (WESP) 2019.

### 5.3.2 INDIAN ECONOMY :

5.3.2.1 The Monetary Policy Committee (MPC), Reserve Bank of India in its Third Bi-monthly Monetary Policy Meeting , 2019-20 has revised downwards the projection of real GDP growth to 6.9 per cent for 2019-20 - 5.8-6.6 per cent for H1:2019-20 and 7.3-7.5 per cent for H2 - with risks somewhat tilted to the downside, against 7.0 per cent in its June resolution - 6.4-6.7 per cent for H1:2019-20 and 7.2-7.5 per cent for H2 – with risks evenly balanced. The downward adjustment in the GDP growth projection was warranted by various high frequency indicators pointing to weakening of both domestic and external demand conditions. On the other hand, the MPC was of the view that the impact of monetary policy easing since February 2019 is expected to support economic activity, going forward.

5.3.2.2 India continues to be one of the fastest growing economies in the world and this is expected to continue in the financial year 2019-20. Inclusive GDP growth will augur well for the overall economy. From a medium to long-term perspective, Infrastructure Sector will continue to offer sizeable headroom for growth on account of major policy initiatives.

### 5.3.3 INDIAN INFRASTRUCTURE SECTOR

5.3.3.1 Infrastructure sector is a key driver for the Indian economy. Infrastructure sector is a major sector contributing to India's overall development. This sector enjoys immense focus from Government to create a world class infrastructure in India. India's rank jumped to 24 in 2018 from 137 in 2014 on World Bank's Ease of doing business. India has huge requirement of investment worth Rs. 50 trillion (US\$ 777.73 billion) in infrastructure by 2022 to have sustainable development in the country, as stated by CII official. India is witnessing significant interest from international investors in the infrastructure space.

### 5.3.4 GOVERNMENT INITIATIVES :

5.3.4.1 The Government of India is expected to invest highly in the infrastructure sector, mainly highways, renewable energy and urban transport. The Government of India is taking every possible initiative to boost the infrastructure sector. We are poised to become a Five Trillion Dollar Economy in the next five years and aspire to become a Ten Trillion Dollar Economy in the next 8 years thereafter. The First Dimension of this Vision will be to build physical as well as Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development.

- The Government of India has given a massive push to the infrastructure sector by allocating ₹ 4.56 lakh crore for the sector under the union budget for the infrastructure sector for financial year 2019-20.
- The Indian Railways received allocation under Union Budget 2019-20 at ₹66,768.67 crore. Out of this allocation, ₹ 1,58,658 crore is proposed for capital expenditure.
- ₹ 83,015.97 crore allocated towards road transport and highway.

\*Source : Annual Budget 2019 and other related Reports

### 5.3.5 PROSPECTS FOR BBJ

5.3.5.1 The vision of the Govt. for development of Infrastructure and Railways is expected to boost up the Construction sector with excellent growth opportunity. Your Company, with its experience, expertise and talent in the niche segment of Bridge/Road Construction and Civil Construction, is well placed to leverage the opportunity. Your Company's strategy to lead market development, build channels of the future whilst keeping the sustainable living plan at its core, will enable it to create long-term value for all the stakeholders. Your Company will continue to focus on being Purpose-led and Future fit.

5.3.5.2 Your Company is also geared up to play a significant role in the growth of its bottom line with planned increase in its production capacity aligned in line with policy measures of Govt. of India. These inter-alia includes proliferation in Road Project , Metro Rail Projects,

Construction of Station Building, Track Laying and Modernization and explore business opportunities through diversification in PMC business model besides exploring more out of the ambitious plan of Railways in the coming years .

5.3.5.3 Steps taken by your Company will significantly improve your Company's performance from the conventional business trajectory to the Diversified area with promised growth rate.

5.3.5.4 With continuous emphasis on infrastructure by Govt. of India, BBJ with its ability to work in difficult areas like North East, Bihar, J & K has bright future which may lead it to the position of preferred organization for difficult and complex works.

#### 5.4 STRENGTH AND WEAKNESS

##### 5.4.1 Strength

- Strong brand awareness and reputation, Rich experience in executing some of the mega Bridges in India. Operates in Bridge, Roads & other Civil Construction projects.
- Recognised industry player in civil construction and infrastructure projects
- Decades of experience. Experience of working in remote & in-accessible area
- Track record of successfully completing complex projects
- Ensuring quality and timely completion of the projects without cost overruns
- Good Order book position, commensurate with its size
- Enduring relationships built on mutual trust and respect with our clients, sub-contractors, financial institutions and other stakeholders
- Talented and skilled employees with low attrition rate
- Positive net worth.
- BBJ has qualified and experienced man power capable of executing niche construction projects in difficult and remote areas.
- Managed with very small debt portion.

##### 5.4.2 Weakness

- As the company face financial constraint due to its small size, therefore, credential of major projects are not available for acquiring big works, thereby losing valuable business in Bridge, Road and Civil Constructions etc.
- Inability to enter in to BOT/BOO and other major project execution, due to financial and other limitations.

#### 5.5 OPPORTUNITIES, THREATS AND CONSTRAINTS

##### 5.5.1 Opportunity

- Demand for world class infrastructure in India
- "Make in India" initiative would demand good infrastructure specifically railways, etc. thus offering opportunities for construction companies

- Government's "100 smart cities" initiative
- Higher budgetary allocation for infrastructure sector
- Pro- industry policies and initiatives such as lowering of corporate tax, setting up of REITs and Infrastructure Investment Trusts would drive investment in infrastructure sector, etc
- Thrust in infrastructure work by the GOI and development work in border area and North Eastern State's development work.
- Thrust in infrastructure development for surface transport.
- Joint Ventures/Collaboration for major Indian projects.
- Avenue for diversifying in new areas (like Building Construction, Smart Meter Installations etc).

### 5.5.2 Threat

- Huge investment in infrastructure has attracted large number of private sector players which has intensified competition.
- profit margins may shrink due to increased competition.
- Reduction in business on nomination basis.
- Contingent liabilities on account of arbitration and court cases.

### 5.5.3 Constraints

5.5.3.1 Although every Organization has to work within a certain legal frame work, your Corporation as a public sector Company faces certain constraints (not applicable to private sector companies) which put it at disadvantage in a competitive market. Company is working in North East and other trouble prone areas where people are reluctant to join. Though BBJ is consistent profit making and dividend paying Company but due to lack of counter Guarantee from GOI and Bank Guarantee limits from Banks BBJ is not able to contribute its core competence in nation building in an aggressive manner.

## 5.6 RISKS AND CONCERNS

5.6.1 In construction industry, major concern is cost inflation, timely completion of projects and change in Govt. policies due to which there is risk of time and cost overruns which are seldom compensated by clients thereby putting your company into losses.

5.6.2 The Company's employees and projects have been exposed/are exposed to risks and threats of life, liberty and property while operating in risky geographical areas. It, however, takes pride in executing prestigious works in the national building task. The Company has taken measures to provide adequate safety, facilities and also insurance coverage in such places.

5.6.3 Risk related details are more elaborately mentioned under Notes on Financial Statements.

## 5.7 PRESENT OPERATIONS, STATE OF AFFAIRS AND OUTLOOK FOR FUTURE

5.7.1 Now instead of awarding works on nomination basis, the Ministries/Govt. Departments have started a competitive bidding process among PSUs. BBJ, is able to secure works even under tough competition. Government of India has allocated huge funds for infrastructure in 12th Plan. A large portion of investments by Government of India is in Development of NER, Metro, Airport, Smart Cities etc.

## The Braithwaite Burn and Jessop Construction Company Limited

5.7.2 Your Company is also planning to diversify in new areas like civil construction, new and renewable energy resources etc. With continuous emphasis on infrastructure by Government of India, BBJ with its ability to work in difficult areas may be considered as a preferred Organisation for niche', complex and difficult works. Competition among large number of construction companies has resultant impact on the margins of Company.

### 5.8 DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

5.8.1 BBJ is engaged in Engineering, Procurement & Construction (EPC) jobs for Construction & Erection of Steel Bridges for the Railways; this single customer dependence has resulted in high variability in financial performance in the past.

5.8.2 In order to de-risk the business model, a separate PMC wing has been recently formed where revenue generation is more stable

5.8.3 Current business verticals of the Company are given hereunder:

Particulars	Products & Services	Customers / Clients
Engineering Procurement & Construction (EPC) business – steel bridges	Construction of: Steel Bridges, Cable Stayed Bridge, Rehabilitation of old bridges, Manufacturing & supply of bridge girders	Construction of: Steel Bridges, Cable Stayed Bridge, Rehabilitation of old bridges, Manufacturing & supply of bridge girders
Project Management Consultant (PMC) business – civil construction job	Construction of: Buildings, Residential Schools, Road	Kendriya Vidyalaya Sangathan, North Eastern Council (NEC), West Bengal Fisheries Corporation Limited, Rajendra Agricultural University, Benfish

### 5.9 OPERATIONAL PERFORMANCE

#### 5.9.1 ORDER BOOK POSITION

5.9.1.1 During the year 2018-2019, your Company has secured new Orders valuing ₹ 17322.98 Lakh from Railway Projects and ₹ 1452.13 Lakh from other than Railway Projects. Aggregate New Orders was Rs. 18775.11 Lakh against the target of ₹330 Lakh fixed under MoU by DHI for excellent rating.

5.9.1.2 The effective order book position as on 31st March, 2019 is ₹71098.60 Lakh from Bridge Project and ₹ 4115.49 Lakh from Civil Project, aggregating to ₹75214.09 Lakh.

## 5.9.2 DIVERSIFICATION & FUTURE OUTLOOK

- 5.9.2.1 The outlook for the future is positive and Company is likely to further excel in the forthcoming year.
- 5.9.2.2 Steps are taken by your Company for diversification Product line under two business model viz. Project Management Consultancy (PMC) and Engineering Procurement and Contract (EPC). Civil Engineering and Construction Projects in addition to the existing product mix are all that come within the business model of your company and its pleasure sharing that Your Company, with it's limited means, already executed Orders for Construction of Road, Bridge and Civil Construction works with level of experience, expertise and efficiency required for the job.
- 5.9.2.3 After successful execution of Orders, your Company now expects to get more Orders of similar nature in coming days, which shall make significant improvements in Production and Profitability.
- 5.9.2.4 We have pleasure informing you that your Company, in it's drive to further improve upon the Marketing scenario, has started execution of Order secured from NF Railways for Construction of two Bridges in Manipur. The work although challenging, are expected to give a new impetus to the profile of the Company.
- 5.9.2.5 Strategic Tie-Up in the Form of MOU / Consortium is under consideration of your Company with other major players in Construction Industry to quote for the High Value Tenders. This policy initiative is primarily intended to explore the benefit of techno-economic synergy amongst the Companies through MOU process. Besides being technically compatible, the process would in course of time become beneficial for the Companies and the consortium and would result in value addition to the bottom line.
- 5.9.2.6 In order to diversify into civil construction, Your Company bagged orders for construction of 3 School Buildings of Kendriya Vidyalaya Sangathan. Once the construction of these building are complete, Your Company shall be eligible to participate in the bid process for high value construction projects.
- 5.9.3 BBJ has the plan to strengthen its core competence and venture into new business verticals in following manner :
- 1) Enhancement in Marketing efforts in EPC business
  - a) Through Joint Venture: BBJ ties up/Joint venture (JV) with other agencies to participate in Govt. tenders where BBJ alone is not eligible to participate.
- Recently, BBJ participated in a tender invited by RVNL for Construction of Ganga Bridge at Prayagraj, Allahabad (U.P.) (Total Project cost: Rs.389 cr.) by forming an unincorporated JV with 'ITD Cementation India Ltd.'



- b) BBJ participates on regular basis in bids invited by various Zonal Railways, RVNL, IRCON, etc. for Construction of Steel Bridges under State connectivity projects, construction of new line / doubling line projects of various sections of Railway etc.
- 2) Enhancement in Marketing efforts in PMC business:

BBJ, being a CPSE, is eligible to function as PMC for Central & State Governments/Departments. To explore this opportunity, a new PMC business vertical has been recently started its operations for bagging & executing PMC contracts. Competitors are other CPSEs.

BBJ received 3 orders for construction of School Building Campus from Kendriya Vidyalaya Sangathan (KVS) on PMC basis. Out of the above, BBJ has already completed two nos. of KVS. BBJ also received a order from North Eastern Council (NEC), on nomination, for preparation of DPRs (06 nos) & Inception Report (1 no.) for Identified Roads in Meghalaya, Nagaland, Manipur, Arunachal Pradesh under NERSDS projects, which is also completed.

BBJ is also pursuing with different Govt. Depts. for getting civil work on PMC basis.

#### 5.10 INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

- 5.10.1 The Company has adequate system of Internal Control and Internal Audit System which helps the management to review the effectiveness of financial and operating controls. It also ensures that all transaction are authorized, recorded and reported correctly.
- 5.10.2 The Management takes reasonable care and ensures safeguard of assets, prevention and detection of fraud and error, accuracy and completeness of accounting records and timely preparation of reliable financial information.
- 5.10.3 Internal Control is being ensured through internal audit by independent firms of Chartered Accountants, who conduct periodical Internal. Significant Audit observations and corrective actions thereon are presented to the audit committee.
- 5.10.4 Internal Audits Reports are also being reviewed by Statutory Auditors of the company appointed by Comptroller and Auditor General of India.
- 5.10.5 Books of Accounts are also subject to supplementary audit by Comptroller and Auditor General of India.
- 5.11 Material developments in Human Resources, Industrial Relations front, including number of people employed :

This section has been elaborately discussed elsewhere in the Directors' Report.



5.12 Environmental Protection and Conservation, Technological conservation, Renewable energy developments, Foreign Exchange conservation :

This section has been elaborately discussed elsewhere in the Directors' Report.

5.13 CORPORATE SOCIAL RESPONSIBILITY :

This section has been elaborately discussed elsewhere in the Directors' Report.

5.14 CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the infrastructure sector, significant changes in economic environment in India and abroad, exchange rate fluctuations, tax laws, litigations and labour relations.

## **6 MEMORANDUM OF UNDERSTANDING (MOU)**

6.1 The MoU sets forth various targets and performance under Financial and Non-Financials parameters, which are assessed against actual achievements after close of financial year.

6.2 MOU FOR 2018-19 : Your Company has signed Memorandum of Understanding (MoU) with the Ministry of Heavy Industries and Public Enterprises for the year 2018-19. MoU Score Sheet has been deliberated and discussed in details by the Board, with ways and means to improve upon the performance with the aim to achieve much higher & improved ranking.

## **7 BOARD, COMMITTEES AND RELATED INFORMATION/DISCLOSURES**

7.1 BOARD OF DIRECTORS

7.1.1 By Order of the Govt., Shri Arnab Chatterjee was appointed as Director (Technical) with effect from 24-04-2019. before appointment of Shri Chatterjee, C&MD was holding Additional Charge of Director (Technical) in the Company by Govt. Orders issued from time to time.

7.1.2 In terms of Govt. Order by DHI, Smt Bela Banerjee Former Member(Tech.) Railway Claims Tribunal and Shri Tapas Kumar Chatterjee Advocate , Hon'ble High Court at Calcutta were appointed as the Independent Directors of the Company for the period of 3 years from the date of Govt. Order I.e. 03.06.2017. After expiry of 3 years' term, Smt. Bela Banerjee and Shri Tapas Kumar Chatterjee ceased to be the Independent Directors of the Company with effect from 03-06-2019.

7.1.3 During the FY 2018-19, there were 5 Meetings of the Board of Directors.

7.1.4 Details of composition of the Board and other Committee Meetings, date of Meetings including presence of Directors/Members in the said Meetings and other required details, are covered separately under Corporate Governance Report, annexed to and forming part of this Report.

## 7.2 KEY MANAGERIAL PERSONNEL

7.2.1 In terms of the Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Shri Navin Kumar Mishra took charge as the Company Secretary of the Company with effect from 01-02-2019 vice Shri Sadhan Kumar Bhattacharya, who superannuated as Company Secretary on close of business on 31-01-2019.

7.2.2 Following are the Whole-time Directors and Key Managerial Personnel as on 31-03-2019: -

- i Shri Sundar Banerjee – Chairman & Managing Director
- ii Shri Ritendra Kumar Mitra – Director (Finance)
- iii Shri Gora Chand Jash – GM (Finance) as the Chief Financial Officer (CFO), and
- iv Shri Navin Kumar Mishra – Company Secretary (CS).

7.2.3 By Govt. Order, Shri Arnab Chatterjee was appointed as Whole-time Director (Project) with effect from 24-04-2019.

## 7.3 BOARD EVALUATION & TRAINING OF BOARD MEMBERS

7.3.1 Ministry of Corporate Affairs vide notification bearing no. G.S.R. 463(E) exempted Government Companies from annual evaluation of its Directors.

7.3.2 The non-executive Board members are eminent personalities having wide experience in the field of industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions. Directors are given presentation on the overview of the company with the object to familiarize them with the Company's business and other activities. Further, Directors are kept apprised of latest developments w.r.t. the Companies Act, 2013 and other corporate laws. The Board is kept up-to-date through Agenda papers and briefings by senior officials with respect to the Financial Performance, status of ongoing Projects and other important business operation related matters.

## 7.4 DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, the Directors certify that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) Appropriate accounting policies have been selected and applied consistently and have 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 as at March 31, 2019 and of the profit and loss of the Company for the year ended March 31, 2019;

- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The annual accounts have been prepared on a going concern basis;
- (e) Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## 7.5 DECLARATION BY INDEPENDENT DIRECTORS

7.5.1 In compliance with Section 149(7) of the Companies Act, 2013 declaration(s) have been received from the Independent Directors of the Company that they meet the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 for the period during which they were in the Board of Directors of the Company.

## 7.6 AUDIT COMMITTEE, REMUNERATION COMMITTEE AND CSR COMMITTEE:

7.6.1 Audit Committee of the Board has been constituted as per Section 177 of the Companies Act, 2013 and rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 comprising of Members as required under the Companies Act and the Rules made there under . As required under the Law , besides the terms of reference, the Audit Committee consists of non-executive directors including Independent Directors having expertise in financial and accounting areas. Details regarding Audit Committee and other Committees of the Board are also stated in the Corporate Governance Report.

7.6.2 During the FY 2018-19, there were 5 Meetings of the Audit Committee.

7.6.3 Your Company continues to hold Meeting of Audit and other Board level Committee regularly to ensure transparency, accountability, integrity and ensure compliance of various laws. Audit Committee met five times during FY 2018-19.

7.6.4 Details of Constitution, Meetings, Attendance and other details relating to various Committees constituted by the Board are covered under Corporate Governance Report, annexed to and forming part of this Report.

7.6.5 Consequent upon cessation of Independent Directors, all the aforesaid Committees are reconstituted with present Directors.

7.6.6 Part time Government Nominee Director is the Chairperson of above said Committees. The other two Members are Director (Finance) and Director (Technical).

**7.7 RELATED PARTY TRANSACTIONS**

7.7.1 During the year under review, the company had not entered into any contract/ arrangement/transaction with related parties which could be considered material in accordance with provisions of related party transaction referred to in section 188(1) of the Companies Act, 2013.

7.7.2 Routine transactions covered under Related Party are disclosed & explained in the Financial Statement Section of this Report.

**7.8 DISCLOSURES AS PER COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

7.8.1 The Company, being a Government of India Enterprise, is exempt from disclosure requirements pertaining to remuneration and other details as prescribed under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

7.8.2 Further, Your Company has not paid any remuneration attracting the provisions of Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**8 INFORMATION & VIGILANCE FRAMEWORK, POLICIES, PROCEDURES :**

**8.1 QUALITY ASSURANCE/QUALITY CONTROL & SAFETY**

8.1.1 Your Company is committed to follow the quality norms and standardized specific process as specified in the contract to maintain the desired quality. As part of the continuous apprising and to facilitate the functional requirements, a Quality Assurance/Quality Control process is followed as practice. Safety in construction is not a matter to be taken lightly. In fact, safety needs to be the top most priority in every aspect of construction at all times. The Quality Management System of the Company is Certified under ISO 9001:2015, being in accordance with the requirements of Quality Policy.

8.1.2 On annual basis, National Safety week is celebrated at Head Office, organized by Quality Cell & General Guidelines for Safety is read out for awareness on this occasion to facilitate the requirements of Safety at project sites.

**8.2 STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY**

8.2.1 The risk management system is an integrated and aligned system with the corporate and operational objectives. Risk management is undertaken as part of normal business practice and not as a separate task at set time.

### 8.3 CORPORATE GOVERNANCE:

Your Company constantly endeavors to adopt best practices of Corporate Governance to ensure transparency, integrity and accountability in its overall functioning. The Corporate Governance Report highlighting these endeavors is submitted along with Certificate on Compliance of conditions of Corporate Governance, duly certified by the Statutory Auditors in terms of the DPE Corporate Governance Guidelines.

8.3.1 Being an integral part, policy initiatives were taken to secure Risk Management wherever required and necessitated in the process of functioning. Your company has adequate Internal Financial Control in place and such controls are tested from time to time through the process of Audit Committee constituted by Members nominated by the Board.

### 8.4 VIGILMECHANISM/WHISTLE BLOWER POLICY

8.4.1 The Company has well placed vigil mechanism for directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation to the Company's Code of conduct which includes the duly adopted Whistle Blower Policy to conduct of the affairs in a fair and transparent manner, by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

8.4.2 Focus of the policy is to create a fearless environment. Details regarding Whistle Blower Policy is also stated in the Corporate Governance Report. The Whistle Blower Policy is proposed to be posted on the website of the Company.

### 8.5 RIGHT TO INFORMATION

8.5.1 Company has appropriate mechanism to provide information to citizens under the provisions of Right to Information (RTI) Act, 2005.

8.5.2 Total 23 applications were received and all those applications were replied within the prescribed time limit under the said Act. No application under RTI was pending for reply as on 31-03-2019.

### 8.6 VIGILANCE

8.6.1 During the year under review, vigilance activities were managed effectively and no vigilance case is pending or contemplated.

### 8.7 ADHERENCE TO THE ACCOUNTING POLICY/STANDARD

8.7.1 For the financial year 2017-18, the financial statements of the Company was drawn under Ind AS 101, being First Time Adoption of Indian Accounting Standards in compliance with Companies (Accounting Standards) Rules, 2015. This is the second reporting period of financial statements drawn under Ind AS.

8.7.2 Details of significant accounting policies are adequately explained under Notes forming part of the Financial Statements.

8.7.3 Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.

## 8.8 INTERNAL AUDIT AND INTERNAL CONTROLS

8.8.1 The Company has adequate internal financial controls system for ensuring orderly and efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets and prevention of frauds, accurate and prompt financial reporting, for compliances and improve the effectiveness of risk management towards good corporate governance.

8.8.2 Company ensures that business is conducted in accordance with the legal, statutory and regulatory compliance requirements.

8.8.3 Firm of Chartered Accountants are appointed by the Board of Directors of the company to carry out Internal Audit Function in the Company and Reporting thereon. The Reports of Internal Audit findings are periodically submitted to management and Audit Committee of the company. Based on Report of Internal Auditor, corrective action in respective areas are undertaken and thereby strengthen the overall control system.

8.8.4 The company has adequate internal control measures in the form of various codes, manuals and procedures issued by the management covering all important activities i.e. Marketing Manual, Purchase and Works manual, Material, Stores, Accounts and Personal Manual etc.

8.8.5 The Internal Audit Plan, Internal control mechanism and issues of financial and operational system are made more structured to take on all kinds of future challenges.

## 9 AUDITORS

### 9.1 REPORT OF THE STATUTORY AUDITORS ON THE ACCOUNTS OF 2018-2019

9.1.1 M/s. ARSK & Co., Chartered Accountants, Kolkata were appointed by the Comptroller and Auditor General of India as Statutory Auditors of the Company for the FY 2018-2019.

9.1.2 The Qualification etc. of the Statutory Auditors on the Accounts for the year 2018-2019 have been adequately explained in the notes on accounts.

9.1.3 As required under Section 134 (3) (ca) of the Companies Act, 2013, there is no adverse reporting by the auditors under sub-section (12) of section 143 in respect of frauds.

9.2 COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

9.2.1 The comments of Comptroller & Auditor General of India on the Financial Statement of the Company for the year ended March 31, 2019 upon or supplement to Statutory Auditors Report under the Companies Act 2013 to be placed before the Shareholders subsequently.

9.3 SECRETARIAL AUDITOR AND AUDIT REPORT

9.3.1 Provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable to the Company.

9.3.2 The Company has secured compliance of applicable / mandatory Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

**10 HUMAN RESOURCES, WOMEN EMPOWERMENT & WELFARE ACTIVITIES**

10.1 HUMAN RESOURCES

10.1.1 With a view to attain the operational excellence, rigorous and constant efforts are being carried out to meet the organization expectations as well as keeping pace with the changing industrial scenario.

10.1.2 Old policies were modified focusing on recognizing employees as an important resources in the Organization through Employee Centric Approach. Many initiatives were taken towards creation of proficient HR Systems leading to increased transparency and effective communication system in the Company and MoU parameters were properly addressed through proper system in place.

10.1.3 Any grievances related the employee are to be taken up by Grievance Committee for resolving in time. In keeping with the functional and behavioral skills of the employees, training under different modules were arranged at various levels to enhance proficiency and to encourage the self learning among employees.

10.1.4 Furthermore, in view of the present innovative & challenging market, your Company arranged need based In-House Training Programs / Technical Workshops to make officials / employees to make them aware of latest trends / techniques & changes that are taking place in their respective functional areas and to enhance their knowledge base so that they work with improved potential & zeal to achieve the overall organizational Goal as a team. Industrial Relation remained cordial through out the year under review

10.2 CORPORATE SOCIAL RESPONSIBILITIES; DETAILS ABOUT THE POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR

10.2.1 During the financial year under review Your Company initiated steps to identify the projects of varied importance in line with the requirements of the Companies Act 2013 read with the DPE/Govt. Guidelines, and accordingly, made contribution to Swacch Bharat Kosh, Clean Ganga Fund and spent through appointed agency for Training, Healthcare and Education.



10.2.2 As per Govt. mandate, PSUs were required to contribute in identified Districts of the country for its CSR activities and accordingly, Your Company made CSR expenditure towards Skill Development, health Care activities, Educational activities at Hailakandi District of Assam.

10.2.3 The amount earmarked for CSR for the next year would be spent as per requirements of the Companies Act 2013.

10.2.4 Annual Report on CSR as required under The Companies (Corporate Social Responsibility Policy) Rules, 2014 is placed as Annexure to this Report.

10.2.5 Web link for CSR Policy of the Company is <https://www.bbjconst.com>

### 10.3 EMPOWERMENT OF WOMEN

10.3.1 The Company continues to accord due importance to gender equality. All necessary measures/statutory provisions for safeguarding the interests of women employees in issues like payment of wages, hours of work, health, safety, welfare aspects and maternity benefits etc. are being followed by the Company in its letter and spirit.

### 10.4 WELFARE OF WEAKER SECTIONS OF THE SOCIETY

10.4.1 Statutory welfare facilities as incorporated in the Factories Act, 1948 and the Rules made there under are administered by the Company for welfare of the weaker section apart from the statutory welfare facilities including the reservation policy for SC, ST and OBC in line with the Govt. Policy and Guidelines .

### 10.5 ENCOURAGEMENT / ASSISTANCE TO MSME:

10.5.1 Out of total purchase of stationery including printing, toner etc. for the year 2018-19 , required procurements were made through MSMEs. Nothing remains unpaid to the supplier at the end of the financial year 2018-19 for a period of over 45 days.

10.5.2 Aids and Supports were extended to the Social Welfare Organizations through selective sourcing / procurement of materials and services from them in need in phased manner.

## 11 OTHER DISCLOSURES

### 11.1 LEGAL COMPLIANCES

11.1.1 Board is apprised of the statutory and other mandatory legal compliances on regular basis through Agenda Notes. Board is also apprised of the notices, if any, received from statutory authorities and the remedial action taken by the Company to meet those requirements.



**11.2 DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013**

11.2.1 (a) The company has complied with the provision relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee is empowered to look into all complaints of sexual harassment and facilitate free and fair enquiry process with clear timelines.

(b) the details of cases as required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given hereunder :

- |       |  |     |
|-------|--|-----|
| (i)   | number of complaints filed during the financial year :             | Nil |
| (ii)  | number of complaints disposed of during the financial year :       | Nil |
| (iii) | number of complaints pending as at the end of the financial year : | Nil |

**11.3 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

11.3.1 For the period under review, no Loans, Guarantees and Investments was made by the Company which requires approval under Section 186 of the Companies Act, 2013. Details of Loans, Guarantees and Investments are covered under financial statements and Notes forming part thereof.

**11.4 CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL:**

11.4.1 Your Company has well defined policy framework which lays down procedures to be adhered to by all Board Members and Senior Management for ethical professional conduct with the objective to conduct the Company's business ethically and with responsibility, integrity, fairness, transparency and honesty. The Code is available on the Company's website [www.bbjconst.com](http://www.bbjconst.com). All Directors and senior management personnel have complied with the Code of Conduct.

11.4.2 Declaration by Chairman & Managing Director on compliance with the Code of Conduct in line with Guidelines on Corporate Governance for CPSEs by DPE

**DECLARATION ON CODE OF CONDUCT**

In terms of Clause 3.4.2 of the Guidelines on Corporate Governance for Central Public Sector Enterprises 2010 dated 14th May, 2010 issued by the DPE, I hereby declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct as prescribed under said Guidelines on an annual basis for the FY 2018-19.

**Signature :**  
**(Sundar Banerjee)**  
**Chairman & Managing Director**  
**DIN: 06862063**

## 11.5 PROGRESSIVE USE OF HINDI

### 11.5.1 Measures taken for effective implementation of Hindi in the Company

11.5.1.1 For the progressive use of Hindi, the Official Language Policy of the Government is being complied. The Company has been notified under the Official Language Rule 10(4) on acquiring working knowledge in Hindi by its 80% employees. Remaining employees are also being trained in Hindi in phased manner. With a view to promote Hindi in the official work various Hindi competitions were organized during “Hindi Pakhwara” observed in the month of September, 2018. Quarterly meetings of the “Official Language Implementation Committee” are held regularly. “Hindi Workshop” for the employees are being organized in each quarter. Employees are provided with Hindi Language software in computers for day-to-day workings. Employees are being given re-training in Hindi for Pragya (Higher Level) which is a continuous process. “BBJ Darpan : Rajbhasha House Magazine is published on regular intervals to promote Hindi language among its employees and stakeholders.

### 11.5.2 Awards

11.5.2.1 In recognition of its contribution, BBJ received “Rajbhasha Puraskar” from the T.O.L.I.C. (PSUs), Kolkata, Govt. of India and “Sarvotkristta Rajbhasha Shield” by Kendriya Sachivalaya Hindi Parishad, Kolkata.

## 11.6 EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form MGT-9 is attached to this Report. As required under sub-section (3) of section 92, Annual Return, after its filing with the Ministry of Corporate Affairs shall be made available on the web site of the Company at [www.bbconst.com](http://www.bbconst.com).

## 11.7 REPORT ON THE HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY DURING THE PERIOD UNDER REPORT

Bhagirathi Bridge Construction Company Private Limited (BBCCPL) is the Joint Venture Company, jointly promoted by BBJ and Gammon India Limited (GIL). After status of nominee Director as ‘Inactive’, request was made by BBJ for either rectifying the defect for its Director or make fresh nomination of Directors in terms of Articles of Association and the Joint Venture Agreement BBCCPL. Despite several reminders, no rectification or fresh nomination of Directors are made by GIL. Due to this reason, there is deadlock in holding Meetings of Directors or Shareholders since there is no quorum for holding the said Meetings of Board or Shareholders

Form No. 22A, Active could not be filed due to said deadlock and therefore, the present status of the Company is inactive, non-compliant.

BBCCPL is virtually defunct Joint Venture Company, with its substratum lost after completion of the purpose of Construction of Second Hooghly Bridge, for which it was incorporated. There are no employee. Routine filing and Audit/Statutory expenses were incurred by BBJ on behalf of BBCCPL.

**11.8 ENVIRONMENT AND POLLUTION CONTROL, CONSERVATION OF ENERGY AND TECHNOLOGY & FOREIGN EXCHANGE EARNINGS AND OUTGO**

**11.8.1 Conservation Of Energy, Environment And Pollution Control :**

11.8.1.1 Environment and Pollution Control continued to receive specific attention during the year under review. Through internal mechanism, steps are being taken for conservation of energy through periodical checking of system & its policy to monitor the level of emission of Carbon and other gases from the Plants in use at it Project sites at various locations.

11.8.1.2 With limited deployment of its resources, nature of contracts & short duration of its Projects going on at various sites, use of alternate source through capital investment in energy conservation equipment at said sites and is not feasible for the time being. However, avenues are explored for utilizing alternate sources of energy in feasible manner in future.

11.8.1.3 The stress is given to minimize the energy consumption in all new construction projects by adopting to the best available power saving technologies switching over from LCDs to LED lightings has already been accomplished. Besides most of the projects executed are in line with the Energy norms, the equipment used are all energy efficient.

11.8.1.4 Your Company remained eco-friendly to the Community and it's people at large. No Notice or Show Cause was ever received from the Authorities or Regulators for any non compliance of relevant Laws.

**11.8.2 Technology Absorption:**

11.8.2.1 During the last three years reckoned from the beginning of the financial year 2018-19, there were no imported technology imported by the Company.

11.8.2.2 Awareness about the new technologies and products is being imparted to the senior management for utilizing the same. Presentations on the new and innovative technologies are being organized. Due to various factors viz. conventional nature of job, cost and size constraints etc., Research & Development activities are not presently taken up by the Company.

**11.8.3 FOREIGN EXCHANGE EARNINGS AND OUTGO**

11.8.3.1 During the period under review there was no foreign exchange earning or outgo.

## The Braithwaite Burn and Jessop Construction Company Limited

12 DISCLOSURES AS PRESCRIBED UNDER COMPANIES ACT 2013, NOT APPLICABLE FOR THE PERIOD UNDER REVIEW:

Sl. No.	Particulars	Comments
1)	Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report	Nil
2)	A statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors.	<b>Not Applicable.</b> BBJ is a Private Limited Company, with 100% Government shareholding. Moreover, on account of exemption given to specified Government Companies, these provision are not applicable to BBJ.
3)	Company's Policy on Directors' appointment and remuneration	<b>Not Applicable.</b> BBJ is a Private Limited Company, with 100% Government shareholding. Moreover, on account of exemption given to specified Government Companies, these provision are not applicable to BBJ.
4)	Any changes in the capital structure of the company during the year	Nil
5)	Issue of shares or other convertible securities	Nil
6)	Issue of Employee Stock Options or Sweat Equity Shares	Nil
7)	Issue of debentures, bonds or any non-convertible securities	Nil
8)	Issue of warrants	Nil
9)	Details of Deposits	Nil
10)	Investor Education And Protection Fund (IEPF)	There is no unpaid Dividend in respect of the last seven years.
11)	the change in the nature of business, if any;	Nil
12)	the names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year;	Nil
13)	the details relating to deposits, covered under Chapter V of the Act	Nil
14)	the details of deposits which are not in compliance with the requirements of Chapter V of the Act;	Nil
15)	the details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future;	Nil

**ACKNOWLEDGEMENT**

Your Directors wish to place on record their gratitude and sincere thanks to the various Ministries of the Govt. of India, particularly, the Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises, Indian Railways, Kolkata Port Trust, Rail Vikas Nigam Ltd. and Govt. of West Bengal, Canara Bank, State Bank of India and HDFC Bank and other Banks for their continued support, co-operation and valuable assistance.

Your Directors acknowledge the co-operation and commitments of all employees and their contribution in improving the performance of your company. Their unstinted support has been and continues to be integral to your Company's ongoing success and holding its premier position in the Bridge Construction Industry at the national level.

**For and on behalf of the Board of Directors**

**(Sundar Banerjee)**

**Chairman & Managing Director**

**DIN: 06862063**

Dated: 30<sup>th</sup> September, 2019

Kolkata

## ANNEXURE TO DIRECTORS' REPORT

### REPORT ON CORPORATE GOVERNANCE

This Report is in accordance with the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Govt. of India , Ministry of Heavy Industries and Public Enterprises , Department of Public Enterprises .

<p>Company's Philosophy on Guidelines on Corporate Governance</p>	<p>The Company's Philosophy on Corporate Governance is aimed at enhancing long term Shareholders value and capacity of the Company to generate wealth through :</p> <ul style="list-style-type: none"> <li>• Assisting top Management in taking sound business decisions and prudent Financial Management</li> <li>• Achieving transparency and professionalism in all decisions and activities of the Company</li> <li>• Adhering to Compliances of disclosure requirement</li> <li>• Achieving excellence in Corporate Governance by :                             <ol style="list-style-type: none"> <li>1. Conforming to the prevalent guidelines on Corporate Governance and excelling in wherever possible</li> <li>2. Setting high ethical standards in conduct of business complying with laws and regulations</li> <li>3. Reviewing periodically the existing system and controls for further improvements</li> </ol> </li> </ul>																	
<p>Board of Directors</p>	<p>All Directors of the Board of the Company are appointed on behalf of the President of India by the Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises, Govt. of India.</p> <p>The details of Directors on the Board of the Company as on 31st March, 2019 are given hereunder :</p>																	
<p>Board Composition</p>	<table border="1"> <thead> <tr> <th>DIN of Directors</th> <th>Name</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>6862063</td> <td>Shri Sundar Banerjee</td> <td>Chairman &amp; Managing Director -Functional Director</td> </tr> <tr> <td>2616837</td> <td>Shri Ritendra Kumar Mitra</td> <td>Director ( Finance)-Functional Director</td> </tr> <tr> <td>8043768</td> <td>Shri Sunil Kumar Singh, IRSS</td> <td>Director – DHI (Govt. Nominee Director)</td> </tr> <tr> <td>07047271</td> <td>Smt. Bela Banerjee , IRAS (Tenure expired as Independent Director of the Company with effect from 03-06-2019)</td> <td>Part Time Non Official Director (Independent Director)</td> </tr> </tbody> </table>	DIN of Directors	Name	Category	6862063	Shri Sundar Banerjee	Chairman & Managing Director -Functional Director	2616837	Shri Ritendra Kumar Mitra	Director ( Finance)-Functional Director	8043768	Shri Sunil Kumar Singh, IRSS	Director – DHI (Govt. Nominee Director)	07047271	Smt. Bela Banerjee , IRAS (Tenure expired as Independent Director of the Company with effect from 03-06-2019)	Part Time Non Official Director (Independent Director)		
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**The Braithwaite Burn and Jessop Construction Company Limited**

	07578870	Shri Tapas Kumar Chatterjee (Tenure expired as Independent Director of the Company with effect from 03-06-2019)	Part Time Non Official Director (Independent Director)
<b>Following changes occurred in the Board of Directors after 31st March, 2019 :</b>			
	8432581	Shri Arnab Chatterjee, appointed with effect from 24th April, 2019 as Director (Technical) in terms of Govt. Order issued by DHI vide Ref No. 12 (08)/2007-PE-III dated 23.04.2019	
	07047271	Smt. Bela Banerjee , IRAS ceased with effect from 03rd June, 2019 as Part Time Non Official Director (Independent Director) after expiry of tenure in terms of Govt. Order issued by DHI vide Ref No. 8 (15)/2004-PE.III (Vol.III) dated 03.06.2016	
	07578870	Shri Tapas Kumar Chatterjee ceased with effect from 03rd June, 2019 as Part Time Non Official Director (Independent Director) after expiry of tenure in terms of Govt. Order issued by DHI vide Ref No. 8 (15)/2004-PE.III (Vol.III) dated 03.06.2016	
Govt. Order from Department of Heavy Industry for filling the vacant position of two Independent Directors in the Board of the Company is awaited.			
Meetings Held (Board & Audit Committee)	Board Meeting Held during the financial year 2018-19	Meeting No. & Date of Meeting	Directors' / Members Attendance
		139th Board Meeting on 29-06-2018	Attended by all
		140th Board Meeting on 01-09- 2018	Attended by all
		141st Board Meeting on 25-09- 2018	Attended by all
		142nd Board Meeting on 21-12-2018	Attended by all
		143rd Board Meeting on 15-03-2019 & continued on 16-03-2019	Attended by all
	Audit Committee Meeting Held During financial year 2018-19	47th Meeting on 29-06-2018	Attended by all
		48th Meeting on 01-09- 2018	Attended by all
		49th Meeting on 25-09- 2018	Attended by all
		50th Meeting on 21-12-2018	Attended by all
		51st Meeting on 15-03-2019	Attended by all
	Other Committee Meetings Held During financial year 2018-19	3rd Meeting - Remuneration Committee Meeting on 29-06-2018	Attended by all
		2nd Meeting - CSR Committee Meeting on 01-09- 2018	Attended by all
		4th Meeting - Remuneration Committee Meeting on 25-09- 2018	Attended by all
		5th Meeting - Remuneration Committee on 21-12-2018	Attended by all
		3rd Meeting - CSR Committee 15-03-2019	Attended by all

**The Braithwaite Burn and Jessop Construction Company Limited**

Audit Committee	Role and the Terms of Reference :	<ul style="list-style-type: none"> <li>• To attend to the Matters specified under para 4.2 of the Guideline on Corporate Governance for Public Enterprises and Section 177 of the Companies Act, 2013.</li> <li>• To act as link between the Management ,the Statutory and Internal Auditors and the Board of Directors</li> <li>• To assesses financial reporting system and Risk related matters</li> </ul>	
Composition , Board Meetings & Attendance	Name of Directors	Board Meetings attendance during FY 2018-19	
	Shri Sundar Banerjee	Meeting held -05	Attended - 05
	Shri Ritendra Kumar Mitra	Meeting held -05	Attended – 05
	Shri Sunil Kumar Singh	Meeting held -05	Attended – 05
	Smt. Bela Banerjee IRAS	Meeting held -05	Attended – 05
	Sri Tapas Kr. Chatterjee	Meeting held -05	Attended – 05
Composition , Audit Committee Meetings & Attendance	Name of Directors	Audit Committee Meetings attendance during FY 2018-19	
	Shri Sundar Banerjee	Not a Member	Not Applicable
	Shri Ritendra Kumar Mitra	Meeting held -05	Attended – 05
	Shri Sunil Kumar Singh	Meeting held -05	Attended – 05
	Smt. Bela Banerjee IRAS	Meeting held -05	Attended – 05
	Sri Tapas Kr. Chatterjee	Meeting held -05	Attended – 05
	All the recommendations in the financial year 2018-19, made by Audit Committee and other Committees of the Board, which were mandatorily required, were accepted by the Board of Directors.		
Composition , CSR Committee Meetings & Attendance	Name of Directors	CSR Committee Meetings attended FY 2018-2019	
	Shri Sundar Banerjee	Not a Member	Not Applicable
	Shri Ritendra Kumar Mitra, Member	Meeting held -02	Attended – 02
	Shri Sunil Kumar Singh	Not a Member	Not Applicable
	Smt. Bela Banerjee IRAS, Chairperson	Meeting held -02	Attended – 02
	Sri Tapas Kr. Chatterjee, Member	Meeting held -02	Attended – 02
Composition , Remuneration Committee Meetings & Attendance	Name of Directors	Remuneration Committee Meetings attended 2018-2019	
	Shri Sundar Banerjee	Meeting held -03	Attended – 03
	Shri Ritendra Kumar Mitra	Meeting held -03	Attended – 03
	Shri Sunil Kumar Singh	Meeting held -03	Attended – 03
	Smt. Bela Banerjee IRAS	Meeting held -03	Attended – 03
	Sri Tapas Kr. Chatterjee	Meeting held -03	Attended – 03
	Meetings of all the above Committees, held during FY 2018-19 were Chaired by Independent Director.		



**The Braithwaite Burn and Jessop Construction Company Limited**

Independent Directors	<p>Independent Directors are appointed by the Govt. Orders, having expertise/experience in their respective field/profession. The Independent Directors are neither connected nor related to the Promoters and do not have pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company.</p> <p>A declaration from the Independent Directors that he/she meets the criteria of independence as per the requirement under Section 149 of the Companies Act, 2013 has since been obtained for the relevant period.</p> <p>The sitting Fees of Independent Directors are fixed by the Board and the same is within the limits prescribed under the Companies Act, 2013.</p>			
Code of Conduct	<p>The Draft Code of Conduct for Members of the Board and Senior Management as laid down has been Implemented.</p> <p>In terms of Clause 3.4.2 of the Guidelines on Corporate Governance for Central Public Sector Enterprises 2010 issued by the DPE, the declaration by C&amp;MD that all Board members and senior management personnel have affirmed compliance with the code on an annual basis for the FY 2018-19 is given under the Directors' Report.</p>			
General Body Meetings	Fin. Year	Meeting No. and Date	Time & Venue	Special Resolution
Particulars of last three Annual General Meetings (AGM)	2015-2016	30th AGM, October 25, 2016	14:00 Hours at 26, Raja Santosh Road, Alipore, Kolkata-700 027	Nil
	2016-2017	31st AGM, December 15, 2017	12:00 Noon at HHI, 234/1, AJC Bose Road, Kolkata-700 020	Nil
	2017-2018	32nd AGM, September 25, 2018	15:00 Hours at HHI, 234/1, AJC Bose Road, Kolkata-700 020	Nil
AGM – 2016 & AGM – 2017	Required approvals under Companies Act, 2013 from Registrar of Companies for extension was duly obtained for holding 30 <sup>th</sup> AGM & 31 <sup>st</sup> AGM beyond September 30 of the respective years.			
Annual General Meeting – 2018	33 <sup>rd</sup> Annual General Meeting of the Members of the Company is scheduled to be held on or before September 30, 2019 as per the requirement of the Companies Act 2013.			
Other Disclosures	Transactions of material nature with Directors or their relatives that may have potential conflict with the Interest of the Company		Nil	
	Related Party Transactions		Disclosed under Note attached to Accounts for the year ended March 31, 2019	

**The Braithwaite Burn and Jessop Construction Company Limited**

	Details of non-compliances by Company or strictures imposed on it	NIL
	Whistle Blower Policy and affirmation that no personnel has been denied access to Audit Committee	It is affirm that none was denied access to the Audit Committee
	Details of Compliance of the requirements of these Guidelines	Complied. Appointment of Independent Directors – Tenure of Independent Directors viz. Smt. Bela Banerjee and Shri Tapas Kumar Chatterjee was for a period of three years from 03-06-2016 as per Govt. Order. After cessation of tenure of said Independent Directors, fresh nomination is awaited from DHI.
	Details of Presidential Directives issued by Central Govt. & their Compliance during the year & last three years	No Directives are pending for compliance
	Items of Expenses debited in Books of Accounts not for business purposes	Nil
	Expenditure incurred which are personal in nature and incurred for the Board of Directors & Top Management	Nil
Means of Communications	<ul style="list-style-type: none"> <li>• Being an Unlisted Government Company, quarterly Results are not required to be published in the News Papers.</li> <li>• Annual Audited Financial Results are displayed on the Company’s website</li> <li>• Address for Correspondence 27, Rajendra Nath Mukherjee Road . Kolkata – 700001</li> </ul>	
Audit Qualifications	The effort of the Company is to move towards a regime of unqualified Financial Statements . Should there be any qualification , adequate explanations are given in support else supplement the qualification through Management Replies. The qualifications as per Audit Report on the Accounts for the year ended 31st March 2019 is enclosed .	
Training	Training of Board Members are being followed by the Company	
Corporate Governance Audit	Certificate of the Statutory Auditors on Corporate Governance is received and annexed to the Directors Report	

## Auditors' Certificate on Corporate Governance

To,  
The Members,  
The Braithwaite Burn and Jessop Construction Company Ltd.  
27, R. N. Mukherjee Road,  
Kolkata – 700001

We have examined the compliance of conditions of Corporate Governance by The Braithwaite Burn and Jessop Construction Company Ltd. (hereinafter referred as “the Company”) for the year ended on 31st March, 2019 as stipulated in Clause 8.2.1 of Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) 2010 issued by the Department of Public Enterprises (DPE), Ministry of Heavy Industries and public Enterprises Government of India (hereinafter referred to as “the Guidelines”).

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to review of procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the Guidelines. It is neither an Audit nor an expression of opinion of Financial Statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we hereby certify that Company has complied with the conditions of Corporate Governance during FY 2018-19, as stipulations in Guidelines.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency of the effectiveness with which the management has conducted the affairs of the Company.

**For ARSK & ASSOCIATES**  
Chartered Accountants  
Firm's Reg. No. : 315082E

Place : Kolkata  
Date : 30.08.2019

per Sunil Kumar Maheswari  
Partner  
Membership No. : 054049

**EXTRACT OF ANNUAL RETURN**  
**AS ON THE FINANCIAL PERIOD ENDED ON 31st MARCH, 2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

1.	CIN	U 70100WB1986GOI041286
2.	Registration Date	17th September, 1986
3.	Name of the Company	<b>The Braithwaite Burn and Jessop Construction Company Limited</b>
4.	Category/Sub-Category of the Company	<b>Company limited by shares / Indian Government Company</b>
5.	Address of the Registered office and contact details	<b>27, R.N.Mukherjee Road , Kolkata 700001 . Ph: 033-2248-5841/43 Fax: 033- 2210 3961</b>
6.	Whether listed company	<b>No</b>
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	<b>Not Applicable</b>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company: -

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Fabrication & Erection of Bridge	4210	95% (Approx)
2	Other Works in Civil Engineering	4100	05% (Approx)

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Bhagirathi Bridge Construction Company Private Limited (BBCCPL) is the Joint Venture Company, jointly promoted by BBJ and Gammon India Limited (GIL). After status of nominee Director as 'Inactive', request was made by BBJ for either rectifying the defect for its Director or make fresh nomination of Directors in terms of Articles of Association and the Joint Venture Agreement BBCCPL. Despite several reminders, no rectification or fresh nomination of Directors are made by GIL. Due to this reason, there is deadlock in holding Meetings of Directors or Shareholders since there is no quorum for holding the said Meetings of Board or Shareholders

Form No. 22A, Active could not be filed due to said deadlock and therefore, the present status of the Company is inactive, non-compliant.

BBCCPL is virtually defunct Joint Venture Company, with its substratum lost after completion of the purpose of Construction of Second Hooghly Bridge, for which it was incorporated. There are no employee. Routine filing and Audit/Statutory expenses were incurred by BBJ on behalf of BBCCPL.

**The Braithwaite Burn and Jessop Construction Company Limited**

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**I Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
1) Indian									
a) Individual/ HUF (Nominee of President of India)	0	2	2	0	0	2	2	0	0
b) Central Govt (President of India)	0	1208603	1208603	100	0	1208603	1208603	0	0
<b>Sub-total(A)(1):-</b>	<b>0</b>	<b>1208605</b>	<b>1208605</b>	<b>100</b>	<b>0</b>	<b>1208605</b>	<b>1208605</b>	<b>100</b>	<b>0</b>
2) Foreign	0	0	0	0	0	0	0	0	
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	
<b>Total Share holding of Promoter (A)=(A)(1)+ (A)(2)</b>	<b>0</b>	<b>1208605</b>	<b>1208605</b>	<b>100</b>	<b>0</b>	<b>1208605</b>	<b>1208605</b>	<b>100</b>	<b>0</b>
<b>B. Public Shareholding</b>	0	0	0	0	0	0	0	0	0
1. Institutions Sub-total (B)(1)	0	0	0	0	0	0	0	0	
2. Non Institutions Sub-total(B)(2)	0	0	0	0	0	0	0	0	
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	
C. Shares held by Custodian for GDRs&ADRs	0	0	0	0	0	0	0	0	
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>1208605</b>	<b>1208605</b>	<b>100</b>	<b>0</b>	<b>1208605</b>	<b>1208605</b>	<b>100</b>	<b>0</b>

**ii. Shareholding of Promoters**

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1. President of India	1208603	100.00	0	1208603	100.00	0	0%
2. Shri Soumyen Nandi (Nominee of President of India)	1	0.00	0	1	0	0	0%
3. Shri Swapan Bandyopadhyay (Nominee of President of India)	1	0.00	0	1	0	0	0%
<b>Total</b>	<b>1208605</b>	<b>100.00</b>	<b>0</b>	<b>1208605</b>	<b>100.00</b>	<b>0</b>	<b>0</b>

## The Braithwaite Burn and Jessop Construction Company Limited

- iii. Change in Promoters' Shareholding (please specify, if there is no change) –  
No Change during FY 2018-19
- iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)  
Nil
- v. Shareholding of Directors and Key Managerial Personnel:  
Nil

### V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>In indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0.56	326.80		327.36
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>total(i+ii+iii)</b>	<b>0.56</b>	<b>326.80</b>		<b>327.36</b>
<b>Change in indebtedness during the financial year</b> (Interest accrued but not due)				
Addition	0.79	-		0.79
Reduction	0.56	13.73		(14.29)
Net Change	0.23	(13.73)		(13.50)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0.79	313.07		327.59
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>total(i+ii+iii)</b>	<b>0.79</b>	<b>313.07</b>		<b>313.86</b>

### VI. Remuneration of Directors and Key managerial Personnel

A. Remuneration to Chairman & Managing Director (C&MD), Director – Finance (DF)

(in Rs./ lakh)

Sl. No.	Particulars of Remuneration	Shri Sundar Banerjee, C&MD	Shri Ritendra Kumar Mitra, D(F)	Total Amount
1	Gross salary (Annual) (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961. (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961. (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	29.61	20.57	50.18
2	Commission, Sweat Equity, Stock Option & Others	-	-	-
	<b>TOTAL</b>	<b>29.61</b>	<b>20.57</b>	<b>50.18</b>

## The Braithwaite Burn and Jessop Construction Company Limited

### B. Remuneration to other directors

#### 1. Independent Directors

(inRs./Lakh)

Particulars of Remuneration	Smt. Bela Banerjee	Shri Tapas Kumar Chatterjee
Fee for attending Board / committee meetings*	1.00	1.00
Commission	Nil	Nil
Others, please specify	Nil	Nil

#### 2. Part time Government Nominee Director – No Remuneration

No Remuneration, Commission or Fee for attending Board / committee meetings is paid to Shri Sunil Kumar Singh, Director- DHI, the Govt. Nominee Director.

#### 3. Remuneration to Key Managerial Personnel

(inRs./Lakh)

Sl. No.	Particulars of Remuneration	Sh. G.C.Jash, GM(F) and CFO	Shri S.K. Bhattacharya, CS *	Shri N.K. Mishra, CS*	Total Amount
1	Gross salary (Annual)				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	25.36	32.67 *	9.17 *	67.20
(b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961.				
(c)	Profits in lieu of salary under section 17(3) Income Tax Act, 1961				
2	Commission, Sweat Equity , Stock Option & Others	-	-	-	
	<b>TOTAL</b>	<b>25.36</b>	<b>32.67</b>	<b>9.17</b>	<b>67.20</b>

\*During FY 2018-19, Shri Sadhan Kumar Bhattacharya served as the Company Secretary upto 31-01-2019. Shri Navin Kumar Mishra joined BBJ with effect from 06-09-2018 and took charge as Company Secretary with effect from 01-02-2019. Salary of Shri Mishra is given from the date of his joining.

\*As the MGT-9 is drawn for FY 2018-19, remuneration of Shri Sadhan Kumar Bhattacharya is for the period up to 31-01-2019, during which he served as the Company Secretary.

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made. If any (give details)
<b>A. Company</b>					
Penalty					
Punishment			----- NONE -----		
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment			----- NONE -----		
Compounding					
<b>C. Other Officers In Default</b>					
Penalty					
Punishment			----- NONE -----		
Compounding					

**ANNEXURE TO DIRECTORS' REPORT**

**ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT**

Sr. No.	Particulars	Remarks
1	A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and project or programs.	In alignment with the vision of the Company, BBJ through its CSR initiatives approved CSR policy in the Board Meeting held on September, 2012 addressing to the various areas which inter-alia included the following: <ul style="list-style-type: none"> <li>• Planning of the CSR project</li> <li>• Base-Line Survey</li> <li>• Process of Implementation</li> <li>• Funding, Monitoring and Qualifying Criteria for Executing Agency</li> <li>• In the areas of Health, Education, Sanitation &amp; Public Health etc.</li> </ul> Guidelines of the DHI 2013 and subsequently Section 135 of the Companies Act, 2013 are followed strictly.
2	The Composition of the CSR Committee.	Shri Sunil Kr. Singh, Govt. Nominee Director – Chairperson Shri Ritendra Kr. Mitra, Director (Finance) – Member Shri Arnab Chatterjee, Director (Technical) - Member



**The Braithwaite Burn and Jessop Construction Company Limited**

3	Average net profit of the Company for last three financial years.	FY 2015-16: 44.40 Crore FY 2016-17: 17.16. Crore FY 2017-18: 2.39 Crore  (Average Net Profit : Rs 3392.95 Lakh)
4	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above).	₹ 67.68 Lakh + Unspent amount for the year 2017-18: ₹ 24.60 Lakh ( <b>Cumulative Total: ₹92.28 Lakh</b> )
5	Details of CSR spent during the financial year: i Total amount to be spent for the financial year; ii Amount unspent, if any; iii Manner in which the amount spent during the financial year is detailed below as Annexure to 'ANNUAL REPORT ON CSR ACTIVITIES'	i. ₹67.68 Lakh + Unspent amount for the year 2017-18: ₹ 24.60 Lakh (Cumulative Total: ₹92.28 Lakh) ii. Please refer 'Annexure to ANNUAL REPORT ON CSR ACTIVITIES' hereunder. iii. Please refer 'Annexure to ANNUAL REPORT ON CSR ACTIVITIES' hereunder.

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board report.

**Not Applicable. Entire amount spent or carried forward for next year for CSR Expenditure in compliance with the statutory requirements.**

7. It is hereby confirmed that implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company :

(Chief Executive officer or Manager Director or Director)	(Chairman CSR Committee)
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**ANNEXURE TO ANNUAL REPORT ON CSR ACTIVITIES**

S. No	CSR Project or activity Identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount (Cumulative amount including unspent amount for FY 2017-18)	Amount spent on the projects or programs Sub-heads: (1)direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period(Inclusive of administrative expenditure)	Amount spent: Direct or through implementing agency*
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Swachh Bharat Kosh	Health		42.28 lakhs	40.00 lakhs	40.00 lakhs	Directly sent to Swachh Bharat Kosh
2	Clean Ganga fund	Health		10.00 lakhs	10.00 lakhs	10.00 lakhs	Directly sent to Clean Ganga Fund
3.	Supply of Key items to the Schools i) Ratakandi MV School ii) 407 Vaiala Lower Primary School iii) Nitai Ram L P School	Education	Hailakandi District, Assam	i) Rs 1.86 Lakhs ii)Rs 2.17 Lakhs iii)Rs 1.34 Lakhs	i)Rs 1.86 Lakhs ii)Rs 2.17 Lakhs iii)Rs 1.34 Lakhs	Rs 5.37 Lakhs	NGO Life Foundation, Hojai, Assam
4.	Health Camps	Health	Hailakandi District, Assam	Rs 3.98 Lakhs Rs 12.84 Lakhs for more health camps	Rs 3.98 Lakhs To be carried forward	Rs 3.98 Lakhs	NGO Life Foundation, Hojai, Assam
5.	CSR Training	Skill Development	Hailakandi District, Assam	Rs 13.20 Lakhs	Rs 3.00 Lakhs*	Rs 3.00 Lakhs	NGO Life Foundation, Hojai, Assam
6.	Administrative Expenditure			Rs 4.61		Rs 1.06 Lakhs	
	<b>Total</b>			Rs 92.28 Lakhs	Rs 62.35 Lakhs	Rs 63.41 Lakhs	

\* S.No.5 (Column No.6): Rs 3.00 lakh has been paid. Skill development training is in progress. Distribution of knitting machines to the successful poor women will be made after completion of training programme duly followed by proper inspection and payment of the rest amount of Rs 10.20 lakhs shall accordingly be paid thereafter.

\* Remaining amount of Rs 18.67 lakh to be carried forward for CSR expenditure after FY 2018-19.

## INDEPENDENT AUDITOR'S REPORT

To the Members of

**THE BRAITHWAITE BURN AND JESSOP CONSTRUCTION CO. LTD.**

### Report on the Audit of the Ind AS Standalone Financial Statements

On the basis of observations made by the Controller & Auditor General of India, this revised audit report has been prepared in lieu of earlier report dated 30th August, 2019 to comply with the observations of Controller & Auditor General of India.

### Qualified Opinion

We have audited the accompanying standalone Ind AS Financial statements of **THE BRAITHWAITE BURN AND JESSOP CONSTRUCTION CO. LTD** (Company) which comprise the Balance sheet as at March 31 2019 the Statement of Profit and Loss, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone Ind AS financial statements give the information required by the Companies Act 2013, as amended (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st 2019, its profits and its cashflows for the year ended on that date.

### Basis for Qualified Opinion

1. Note no. 4 with respect to an investment of Rs 486.30 lakhs (Previous year Rs 486.30 lakhs) and Note No. 6 with respect to loans of Rs. 5932.96 lakhs (Previous year Rs. 5932.96 lakhs) and interest receivable/accrued thereon amounting to Rs. 33656.29 lakhs (Previous year Rs. 33656 29 lakhs) as at the reporting date in Bharat Process and Mechanical Engineers Ltd. ('BPMEL'), a Subsidiary of the Company notwithstanding the status of BPMEL which is under liquidation, based on internal assessment carried out by the management of the Company, such investment, loan and interest receivable/accrued on the said loan have been carried at cost. Accordingly, no assessment and consequent provision for impairment in the value of Investment and loss allowance for loans and receivable/accrued interest as aforesaid have been made- in accompanying financial statements for the year ended 31<sup>st</sup> March 2019.
2. Note no. 4 with respect to an investment of Rs. 2558.01 lakhs (Previous year Rs. 2558.01 lakhs) made by the company as at reporting date in Jessop & Co. Ltd. (JCL). Notwithstanding the status of JCL, which is under liquidation, based on internal assessment carried out by the management of the Company, such investment has been carried at cost. Accordingly, no provision for impairment in the value of investments has been made in the accompanying financial statements for the year ended 31<sup>st</sup> March 2019.
3. Note no. 4 with respect to an investment of Rs. 0.30 lakhs (Previous year Rs. 0.30 lakhs) made by the company as at reporting date in Bhagirathi Bridge Construction Company Limited (BBCCL), a joint venture of the Company. Based on internal assessment carried out by the management of the Company such investment has been carried at cost and no provision for impairment in the value of investments has been made in the accompanying financial statements for the year ended 31<sup>st</sup> March 2019.
4. Note no 6 with respect to loan of Rs 656.03 lakhs (Previous year Rs. 656.03 lakhs) and interest receivable /accrued thereon amounting to Rs. 350.26 lakhs (Previous year Rs. 350.26 lakhs) made by the company as at the reporting date in Weighbird India Ltd ('WIL'), a subsidiary of subsidiary of the Company. Notwithstanding the status of WIL, which is under liquidation, based on internal assessment carried out by the management of the Company such loan and interest receivable/accrued thereon has been carried at cost. Accordingly, no loss allowance for loans and receivable accrued interest has been made in the accompanying financial statements for the year ended 31<sup>st</sup> March 2019.
5. Note no. 6 with respect to loan of Rs. 207.25 lakhs (Previous year Rs 207.25 lakhs) made by the company as at the reporting date in Bharat Wagon and Engineering Company Limited (BWEL) erstwhile subsidiary of the Company. Such loan has been carried at cost based on internal assessment carried out by the management of the Company. Accordingly, no loss allowance for loans and accrued interest has been made in the accompanying financial statements for the year ended 31<sup>st</sup> March 2019.

## The Braithwaite Burn and Jessop Construction Company Limited

Had the impairment and loss allowance as existing as at 1<sup>st</sup> April 2016 (the Ind AS opening balance sheet) referred to above in para 1, 2, 3, 4 and 5 been considered in the standalone financial statements, the opening other equity would have been at negative figure of Rs. 30,617.71 lakhs as on 1<sup>st</sup> April, 2016 as against the reported figure of Rs. 13229.74 lakhs, and as at the reporting date the other equity would have been at negative figure of Rs. 53529.01 lakhs as against the reported figure of Rs. 9681.52 lakhs and investments and other financial assets would have been Rs. 110 lakhs and Rs 4634.84 lakhs as against the reported figure of Rs. 3154.61 lakhs and 45437.63 lakhs respectively.

6. Note no 42 regarding the transfer of sale proceeds of Rs 1818 lakhs received from sale 6,81,34,428 equity shares of Jessop & Co. Ltd. (JCL) to Government of India without compliance under the prevailing laws. We are unable to comment on the consequential adjustment that may be required in the financial statements in respect of the aforesaid matter.
7. Note no. 48, the company has not accounted for the accrued interest on loans of Rs 6,588.99 lakhs granted to Bharat Process and Mechanical Engineers Ltd. (BPMEL), a subsidiary and Weighbird India Ltd. (WIL), a second layer subsidiary (subsidiaries) of the company in view of non-recoverability thereof as the aforesaid subsidiaries of the company are under liquidation and on loans of Rs.207.25 lakhs to Bharat Wagon and Engineering Company Limited (BWEL) the erstwhile subsidiary of the company.  
Further, the company has not provided for the interest payable on the loans of Rs.6589 lakhs taken from the Government of India, which was used for granting the loans to the aforesaid subsidiaries of the Company. Had the interest payable on such loans been provided for the finance cost for the current financial year would have been higher by Rs. (2158.30 lakhs ) (Previous Year Rs.2025 lakhs) and the amounts payable to the Government of India would have been higher by Rs 48130.12 lakhs consisting of the total interest, which has not been provided for till the reporting date. Accordingly, the profit for the current financial year would have been lower by Rs.2158.30 lakhs. (Previous year Rs 2025 lakhs) and the amounts payable to Government of India including the interest payable thereon would have been higher by Rs. 48130.12.
8. Note no. 49 regarding uncontested Income-tax demand of Rs 27.30 lakhs as appearing in the official portal of the Income-tax Department for which the company has not been able to produce appropriate documents or evidences for rebuttal. The said liability remains unverified and should have been provided for in accordance with the accounting convention. Had the said liability been provided for the profit for the year would have been lower by Rs 27.30 lakhs and the liability for Income-tax would have been higher by similar amount.
9. Note No. 50 of financial statements amount receivables from and to payable to the various parties including amount receivable from subsidiaries are subject to confirmation and reconciliation. Pending such conformation and reconciliations, the impact thereof on the financial statements is not ascertainable and quantifiable.
10. The share certificates for investment in 300 Equity shares of Bhagirathi Bridge Construction Company Limited amounting to Rs 0.30 lakhs (Previous year 0.30 lakhs) & relevant documents for investment in 5% Non-Redeemable Registered Debenture in East India Clinic Limited amounting to Rs 0.16 lakhs (Previous year 0.16 lakhs) were not made available for our physical verification. Hence, we are unable to comment on the physical existence of the same.
11. Note no.51 in respect of certain cash balances and balances with banks which are subject to confirmation from respective banks. Had the provision for losses in respect such balances been made in the financial statements, the profit for the year would have been lower by Rs. 0.88 lakhs and the cash balance would have been lower by Rs. 0.01 lakhs and the balances with bank, would have been lower by Rs. 0.87 lakhs.

We conducted our audit of the standalone Ind AS Financial statement in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the financial statements.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS Financial statements, does not cover the other information and we do not express any form

of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS Financial statements, our responsibility is to read the other Information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management for the standalone Financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS Financial statements that give a true and fair view of the standalone Ind AS Financial position, Financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets to the Company and for preventing and detecting frauds and other irregularities: selection and application of appropriate accounting policies, making judgment and estimates that are reasonable and prudent and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis, for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS Financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation structure and content of the standalone Ind AS Financial statements, including the disclosures, and whether the standalone Ind AS Financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## The Braithwaite Burn and Jessop Construction Company Limited

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "Annexure B" on the directions and sub-directions issued by the Comptroller and Auditor General of India.
3. As required by Section 143(3) of the Act we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS Financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) With respect to the adequacy of the Internal Financial Control with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure C.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i The Company has disclosed the impact of pending litigations on its financial position in its standalone financial Statements - Refer Note 29 and Note 40 to the standalone financial statements.
    - ii. The Company has entered into long term construction contracts. The company has accounted for foreseeable loss of Rs.90.66 lakhs (Previous Year Rs. 104.79 lakhs) as at the end of financial year on unexecuted portion of long term contracts. The company has not entered into any derivative contract.
    - iii. There are no such amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **ARSK & ASSOCIATES**  
Chartered Accountants  
Firm's Reg. No. : 315082E

Per S.K. Maheshwari  
Partner  
Membership No. 054049

Place : Kolkata  
Date : 23 SEP 2019



## ANNEXURE "A" TO THE AUDITORS' REPORT

The Annexure A referred to in our Independent Auditors' Report to the members of **THE BRAITHWAITE BURN AMD JESSOP CONSTRUCTION CO, LTD.** on the standalone Ind AS financial statements for the year ended 31<sup>st</sup> March 2019.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that-

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.  
(b) The Fixed Assets have been physically verified by the management at reasonable intervals and no material discrepancies were stated to have been noticed on such verification.  
(c) Building includes permanent structures amounting to Rs. 131.46 lakhs (Previous year Rs 125.82 lakhs) on land at Circular Garden Reach Road, Kolkata obtained under License Agreement from Kolkata Port Trust. The company is regular in payment of lease rental but copy of the deed/agreement has not been furnished to us for our verification.
2. According to the information and explanations given to us, the management has conducted physical verification of inventory at regular intervals and no material discrepancies were noticed on physical verification.
3. According to the information and explanation given to us the company has granted unsecured loan to its subsidiary company and a second-layer subsidiary company, which are currently under liquidation. Hence, we are unable to comment on the provisions of Clause 3(iii) [(a), (b) and (c)] of the said order.
4. The Company has complied with the provisions of Section 185 and 186 of the Act in respect of loans advanced to subsidiary companies and investments made in the subsidiary and joint venture companies. The Company has not given any guarantee or provided any security to any party covered under Section 185 and 186 of the Act.
5. The company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
7. (a) According to the information and explanations given to us and the books and records examined by us, the company is regular in depositing with the appropriate authorities the undisputed statutory dues relating to Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax, Cess and other statutory dues as applicable to it have been regularly deposited during the year by the Company with the appropriate authorities except for delay in few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Service Tax, Goods and Services Tax, Cess and other material statutory dues were in arrears as at 31 March 2019 for a year of more than six months from the date they became payable except at stated below:

S. No	Nature of Dues	Amount (Rsr in Lakhs)	Period to which it Relates
1	Employees Provident Fund	17.24	Old Dues
2	Professional Tax	0.46	Old Dues
3	Tax Collected on Source	0.16	Old Dues
4	Service Tax Payable (Relating to erstwhile BBUNL)	1.94	Old Dues (details not available)
5	Tax Deduced at Source	1.55	Old Dues
6	Income Tax Demand	0.21	1998-99
7	Income Tax Demand	1.16	2005-06
8	Income Tax Demand	4.60	2006-07
9	Income Tax Demand	9.23	2007-08

## The Braithwaite Burn and Jessop Construction Company Limited

10	Income Tax Demand	2.98	2008-09
11	Income Tax Demand	0.08	2012-13
12	Income Tax Demand	2.94	2013-14
13	Income Tax Demand	4.94	2014-15
14	Income Tax Demand	1.17	2015-16

(b) According to the information and explanations given to us and on the basis of the books and records examined by us, as may be applicable, given herein below are the details of dues of income tax, sales tax, service tax, provident fund which have not been deposited on account of disputes and the forum where the dispute is pending:

SL No	Name of the Statute	Nature of Dues	Period of which relates (F.Y)	Forum where dispute is pending/dismissed	Amount (in Rs. Lakhs)
1	WB, Sales Tax	Works Contract Tax	2011-12	Joint Commissioner of Commercial Taxes	4.30
2	Bihar Sales Tax	Works Contract Tax	2010-11	Joint Commissioner of Commercial Taxes	33.25
3	Bihar Sales Tax	Works Contract Tax	2011-12	Joint Commissioner of Commercial Taxes	30.98
4	Service tax Demand Interest thereon under section 75 (amount not qualified) and penally imposed	Finance Act, 1994	2007-08 to 2011-12	The Customs, Excise & Service Tax Appellate Tribunal	154.45
5	West Bengal Commercial Tax	WB Works Contract Tax Demanded	2014-15	Appellate Authority	63.66
6	Employees Provident Fund and Miscellaneous Provisions ACT 1952	Damages/ Interest payable	03/2000 to 04/2008	Provident Fund Commissioner, RO, Kolkata, West Bengal has raised the demand. The Company has preferred an appeal before Employees Provident Fund Appellate Tribunal New Delhi and before Hon'ble High Court, Calcutta. Demand amount is Rs. 96.10 lakhs & fund with BBUNL Provident Fund Trust Organisation Rs 41.96 lakhs	54.14
7	W.B. Sales Tax	Works Contract Tax	1992	Commercial Tax Department	4.26
8	W.B, VAT	Works Contract Tax	2005-06	Appellate Authority	8.29
9	Delhi Sales Tax	Works Contract Tax	2004 -05	Commercial Tax Department	19.36
10	W.B. VAT	Works Contract Tax	2011-12	Appellate Authority	27.39
11	W.B. VAT (CST)	Works Contract Tax	2009-10	Appellate Authority	3.58
12	Bihar GST	TRAN 1 Interest	2017-18	Appellate Tribunal	12.55
13	W,B VAT	Entry Tax	2016-17	Appellate Authority	0.51
14	W.B. CST	Works Contract Tax	2016-17	Appellate Authority	0.81
15	Income Tax	Income Tax Demand	2009-10	Commissioner Income Tax (Appeal)	20.64
16	Income Tax	Income Tax Demand	2010-11	Jurisdiction Assessing Officer	0.96



## The Braithwaite Burn and Jessop Construction Company Limited

SL No	Name of the Statute	Nature of Dues	Period of which relates (F.Y)	Forum where dispute is pending/dismissed	Amount (in Rs. Lakhs)
17	Income Tax	Income Tax Demand	2011-12	Commissioner of Income Tax (Appeal)	6.34
18	Income Tax	Income Tax Demand	2011-12	Jurisdiction Assessing Officer	63.57
19	Income Tax	Income Tax Demand	2012-13	Jurisdiction Assessing Officer	285.31
20	Income Tax	Income Tax Demand	2013-14	Jurisdiction Assessing Officer	63.87
21	Income Tax	Income Tax Demand	2013-14	Income Tax Appellate Tribunal	58.68

8. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to the banks and debenture holders and has not taken any loans or borrowings from financial institutions and government during the year.
9. In our opinion and according to the information and explanation given to us, the Company has not raised money by way of initial public offer or further public offer or term loans. Accordingly, paragraph 3(ix) of the Companies (Auditor's Report) Order, 2016 is not applicable.
10. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
11. As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, provisions of clause 3 (xi) of the Order are not applicable to the Company.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. All transactions with the related parties held in the Company are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable Indian accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. In our opinion and as per information and explanation provided the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **ARSK & ASSOCIATES**

Chartered Accountants

Firm's Reg. : 315082E

Place: Kolkata

Date: 22 SEP 2019

per S. K. Maheshwari

Partner

Membership No. 054049

## Annexure - B to the Auditors' Report

### General Directions under Section 143(5) of the Companies Act, 2013

Directions u/s 143(5) of the companies Act, 2013	Auditor's reply on action taken on the directions	Impact on Financial statements
<p><b>(I) Accounting software</b> Whether the company has system in place to process all the accounting transaction through IT system? If yes, the implication of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implication, if any, may be stated.</p>	<p>The company is using accounting software named Tally ERP 9 and processes all the accounting transactions through it. According to information and explanation given to us, no accounting transactions are processed outside the aforesaid accounting software, which is currently in use by the company.</p>	<p>Not applicable</p>
<p><b>(II) Debt restructuring</b> Whether there is any restructuring of an existing loans or cases of waiver/ write off of debts/ loans / interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated</p>	<p>The company doesn't have any borrowing except for loans from Government of India, which is the Promoter of the Company hence this clause is not applicable</p>	<p>NIL</p>
<p><b>(III) Treatment of Govt. Fund/Grant</b> Whether funds received/ receivable for specific scheme from central/ state agencies were properly accounted for/ utilized as per its terms and condition? List the cases of deviation.</p>	<p>According to information and explanation given to us, no funds received/ receivable for specific scheme from central/ state agencies during the year.</p>	<p>NIL</p>

## Annexure - “C” to the Auditors' Report

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **THE BRAITHWAITE BURN AND JESSOP CONSTRUCTION CO. LTD.** (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone In d AS financial statements of the Company for the year ended on that date.

#### Managements Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential component of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of company's assets that could have a material effect on the financial statements.

#### Disclaimer of Opinion

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2019.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statements of Company, and the disclaimer does not affect our opinion on the standalone financial statements of the Company.

For **ARSK & ASSOCIATES**  
Chartered Accountants  
Firm's Reg. No. 315082E

Per S. K. Maheshwari  
Partner  
Membership No. 054049

Place: Kolkata  
Date: 23 Sep 2019

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL  
OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT,  
2013 ON THE FINANCIAL STATEMENTS OF THE BRAITHWAITE  
BURN AND JESSOP CONSTRUCTION COMPANY LIMITED FOR  
THE YEAR ENDED 31ST MARCH 2019**

The preparation of financial statements of the Braithwaite Burn and Jessop Construction Company Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the companies act 2013 ( Act) is the responsibility of the management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of the India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Revised Audit Report date 23 September 2019 which supersedes their earlier Audit Report dated 30 August 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of the Braithwaite Burn and Jessop Construction Company Limited for the year ended 31 March 2019 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

In view of the revision made in the statutory auditor's report, to give effort to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act.

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

Place: Kolkata  
Date: 25 Sep 2019

(Suparna Deb)  
Director General of Commercial Audit  
& Ex-officio Member, Audit Board-I,  
Kolkata

## Balance Sheet as at 31 March 2019

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

Particulars	Note	As at 31 March 2019	As at 31 March 2018
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	588.32	562.59
Capital work-in-progress		-	9.00
Intangible assets	3	9.22	8.32
Financial assets			
Investments	4	3,154.61	3,151.18
Trade receivables	5	-	-
Others	6	2,898.43	1,736.00
Deferred tax assets, net	7	501.55	483.90
		7,152.14	5,950.99
<b>Current assets</b>			
Inventories	8	2,918.04	2,700.98
Financial assets			
Trade receivables	5	5,590.56	3,885.97
Cash and cash equivalents	9	5,106.23	8,712.57
Other bank balances	10	6,888.31	6,048.14
Others	6	45,437.63	45,812.18
Current Tax Assets	11	213.16	66.05
Other Current Assets	12	648.85	348.17
		66,802.78	67,574.06
<b>Total assets</b>		<b>73,954.92</b>	<b>73,525.05</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	13	12,086.05	12,086.05
Other equity	14	9,681.52	11,102.43
<b>Total equity</b>		<b>21,767.57</b>	<b>23,188.48</b>
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	15	313.07	326.80
Provisions	16	428.50	386.34
Other non-current liabilities	17	216.80	251.55
		958.37	964.69

## Balance Sheet as at 31 March 2019

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

Particulars	Note	As at 31 March 2019	As at 31 March 2018
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	15	6,589.79	6,589.56
Trade payables	18	7,597.46	6,288.00
Other financial liabilities	19	34,605.64	34,527.24
Other current liabilities	17	2,385.51	1,924.74
Provisions	16	50.58	42.33
		<u>51,228.98</u>	<u>49,371.87</u>
<b>Total liabilities</b>		<u>52,187.35</u>	<u>50,336.56</u>
<b>Total equity and liabilities</b>		<u>73,954.92</u>	<u>73,525.05</u>

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For ARSK & Associates**

Chartered Accountants

Firm's Registration Number: 0315082E

for and on behalf of the Board of Directors of

**The Braithwaite Burn and Jessop Construction  
Company Limited**

CIN: U70100WB1986GOI041286

**S.K. Maheshwari**

Partner

Membership No.: 054049

**Sundar Banerjee**

"Chairman & Managing Director"

**R. K. Mitra**

Director (Finance)

**Place: Kolkata**

**Date: 30.08.2019**

**G. C. Jash**

General Manager (Finance)  
& Chief Financial Officer

**Navin K. Mishra**

Company Secretary

## Statement of Profit and Loss for 31 March 2019

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

Particulars	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from operations	20	10,500.77	8,844.06
Other income	21	1,464.77	1,276.29
Total income		<u>11,965.55</u>	<u>10,120.35</u>
Expenses			
Cost of materials consumed	22	1,863.38	2,053.29
Changes in inventories and work in progress	23	1.82	1,615.66
Employee benefits expense	24	2,089.80	2,002.16
Finance costs	25	65.47	108.41
Depreciation and amortisation expense	26	135.93	125.65
Other expenses	27	7,649.26	3,753.25
Total expense		<u>11,805.67</u>	<u>9,658.42</u>
Profit before tax		159.88	461.93
Tax expenses			
Current tax	28	141.41	230.14
Deferred tax	28	(17.65)	(6.81)
Total tax expense		<u>123.75</u>	<u>223.33</u>
Profit for the year		<u>36.13</u>	<u>238.60</u>
Other comprehensive income			
Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
Income-tax effect	28	-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		<u>36.13</u>	<u>238.60</u>
Earnings per equity share (nominal value of INR 1,000) in INR	35		
Basic		2.99	19.95
Diluted		2.99	19.95

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For ARSK & Associates**

Chartered Accountants

Firm's Registration Number: 0315082E

**S.K. Maheshwari**

Partner

Membership No.: 054049

for and on behalf of the Board of Directors of

**The Braithwaite Burn and Jessop Construction Company Limited**

CIN: U70100WB1986GOI041286

**Sundar Banerjee**

"Chairman & Managing Director"

**R. K. Mitra**

Director (Finance)

**Place: Kolkata**

**Date: 30.08.2019**

**G. C. Jash**

General Manager (Finance)  
& Chief Financial Officer

**Navin K. Mishra**

Company Secretary

## Statement of Cash Flows

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>I. Cash flows from operating activities</b>		
<b>Profit before tax</b>	159.88	461.93
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation of tangible assets	132.45	124.19
Amoritsation of intangible assets	3.49	1.46
Profit on sale Property, Plant & Equipment (Net)	(0.94)	(0.31)
Interest income on bank and Security Deposits	(993.24)	(1,219.98)
Finance costs	65.47	108.41
Apportioned Income from Government Grant	(36.27)	(37.65)
Interest income	(3.43)	(3.26)
<b>Operating profit before working capital changes</b>	<b>(672.60)</b>	<b>(565.20)</b>
<i>Changes in working capital:</i>		
Adjustment for (increase)/decrease in operating assets		
Trade receivables	(1,704.59)	(3,818.22)
Inventories	(217.06)	1,317.43
Other financial assets - current	374.55	(163.80)
Other current assets	(300.67)	(295.30)
Adjustment for (increase)/decrease in operating liabilities		
Trade payables	1,309.46	1,095.27
Other financial liabilities - current	78.40	(93.39)
Other current liabilities	460.77	1,206.28
Provisions	50.41	112.52
<b>Cash generated from operations</b>	<b>(621.35)</b>	<b>(1,204.41)</b>
Income taxes paid	(288.51)	(698.79)
<b>Net cash generated from/(used in) operating activities</b>	<b>(909.86)</b>	<b>(1,903.20)</b>
<b>II. Cash flows from investing activities</b>		
"Purchase of property, plant and equipment and intangibles (including capital work in progress)"	(201.06)	(162.99)
"Disposal of property, plant and equipment and intangibles (including capital work in progress)"	48.41	
(Investments in)/ redemption of term deposits with Banks with original maturities of more than 3 months	(840.17)	2,431.76
Interest income on bank and security deposits	993.24	1,219.98
Deposits with Bank having maturity if more than one year from the balance sheet date	(1,162.43)	(1,736.00)
<b>Net cash used in investing activities</b>	<b>(1,162.01)</b>	<b>1,752.75</b>
<b>III. Cash flows from financing activities</b>		
Proceeds from/(repayment of) long-term borrowings, net	(48.48)	(48.63)
Proceeds from/(repayment of) short-term borrowings, net	0.00	(206.90)
Interest paid	(29.20)	(70.76)
Final dividend	(1,208.61)	(636.24)
Tax on final dividend	(248.43)	(129.52)
<b>Net cash provided by financing activities</b>	<b>(1,534.71)</b>	<b>(1,092.05)</b>



## Statement of Cash Flows

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Net increase in cash and cash equivalents (I+II+III)</b>	(3,606.58)	(1,242.51)
Cash and cash equivalents at the beginning of the year	8,712.01	9,954.52
<b>Cash and cash equivalents at the end of the year (refer note below)</b>	<b>5,105.43</b>	<b>8,712.01</b>
<b>Cash and cash equivalents comprise:</b>		
Cash on hand	2.23	2.43
Balances with banks:		
- On current accounts	203.99	111.64
- In deposit accounts with Original Maturity of less than three months	4,900.00	8,598.50
Overdraft from Canara Bank	(0.79)	(0.56)
	<b>5,105.43</b>	<b>8,712.01</b>

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For ARSK & Associates**

*Chartered Accountants*

Firm's Registration Number: 0315082E

**The Braithwaite Burn and Jessop Construction Company Limited**

CIN: U70100WB1986GOI041286

**S.K. Maheshwari**

*Partner*

Membership No.: 054049

**Sundar Banerjee**

Chairman & Managing Director

**R. K. Mitra**

Director (Finance)

**Place: Kolkata**

**Date: 30.08.2019**

**G. C. Jash**

General Manager (Finance)  
& Chief Financial Officer

**Navin K. Mishra**

Company Secretary

## Statement of Changes in Equity for the year ended March 31, 2018

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

### a. Equity Share Capital

	No. of shares	Amount
Balance as at April 1, 2017	12,08,605	12,086.05
Balance as at March 31, 2018	12,08,605	12,086.05
Add: Issued during the year	-	-
Balance as at March 31, 2019	12,08,605	12,086.05

### b. Other equity

Particulars	Share application money pending allotment	Restructuring Equity Share Deposit	Reserves and Surplus				Total
			Capital Reserve	General reserve	Retained earnings	Debenture Redemption Reserve	
<b>As at 31 March 2017</b>	325	1,388.00	0.06	1,473.65	9,852.22	303.66	13,342.60
Profit for the year	-	-	-	-	238.60	-	238.60
Issued during the year	(325)	(1,388.00)	-	-	-	-	(1,713.01)
Transfer from retained earnings	-	-	-	-	-	-	-
Final dividend 2016-17	-	-	-	-	(636.24)	-	(636.24)
Tax on final dividend	-	-	-	-	(129.52)	-	(129.52)
<b>Other comprehensive income</b>							
Re-measurement gains/ (losses) on defined benefit plans	-	-	-	-	-	-	-
Income-tax effect	-	-	-	-	-	-	-
<b>As at 31 March 2018</b>	-	-	0.06	1,473.65	9,325.06	303.66	11,102.43
Profit for the year	-	-	-	-	36.13	-	36.13
Issued during the year	-	-	-	-	-	-	-
Final dividend 2017-18	-	-	-	-	(1,208.61)	-	(1,208.61)
DRR Transferred to General reserve	-	-	-	150.00	-	(150.00)	-
Tax on final dividend	-	-	-	-	(248.43)	-	(248.43)
<b>Other comprehensive income</b>							
Re-measurement gains/ (losses) on defined benefit plans, net of tax	-	-	-	-	-	-	-
Income-tax effect	-	-	-	-	-	-	-
<b>Balance as of 31 March 2019</b>	-	-	0.06	1,623.65	7,904.15	153.66	9,681.52

Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**For ARSK & Associates**

Chartered Accountants

Firm's Registration Number: 0315082E

**The Braithwaite Burn and Jessop Construction Company Limited**

CIN: U70100WB1986GO1041286

**S.K. Maheshwari**

Partner

Membership No.: 054049

**Sundar Banerjee**

Chairman & Managing Director

**R. K. Mitra**

Director (Finance)

**Place: Kolkata**

**Date: 30.08.2019**

**G. C. Jash**

General Manager (Finance)

& Chief Financial Officer

**Navin K. Mishra**

Company Secretary

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

### 1 Company Information and Significant Accounting Policies

#### A. Reporting entity

The Braithwaite Burn and Jessop Construction Company Limited ('the Company') is a Company domiciled in India and limited by shares (CIN: U70100WB1986GOI041286). The address of the Company's registered office is 27, R. N. Mukherjee Road, Modi Building, Kolkata - 700001. The Company is primarily involved in business of construction including fabrication.

#### B. Basis of preparation of financial statements

##### 1. Statement of Compliance

These financial statements are prepared on accrual basis of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable) and applicable provisions of the Companies Act, 1956.

##### 2. Basis of measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items:

- certain financial assets and liabilities are measured at fair value;
- employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation;

##### 3. Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements.

##### 4. Functional currency

The financial statements are presented in Indian rupees, which is the functional currency of the Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

### 5. Operating cycle

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within twelve months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current. Deferred tax assets/liabilities are classified as non-current."

### 6. Critical accounting judgements and key sources of estimation uncertainty

"The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent liabilities and contingent assets at the date of financial statement and the results of operation during the reporting period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and/or the notes to the financial statements.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is as under:"

**Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

**Evaluation of indicators for impairment of assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

**Impairment of financial assets** – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

**Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

**Revenue and inventories** – The Company recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information.

**Useful lives of depreciable/ amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

### 7 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

– Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

– Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

– Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### C. Significant accounting policies

#### 1. Revenue recognition

##### a) Revenue from construction contract is recognised as follows:

1. **Cost plus contracts:** Revenue from cost plus contracts is determined with reference to the recoverable costs incurred during the period plus the margin as agreed with the customer.
2. **Fixed price contracts:** Contract revenue is recognised only to the extent of cost incurred till such time the outcome of the job cannot be ascertained reliably subject to the condition that it is probable such cost will be recoverable. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:

- i. the amount of revenue can be measured reliably;
- ii. it is probable that the economic benefits associated with the contract will flow to the Company;
- iii. the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- iv. the costs incurred or to be incurred in respect of the contract can be measured reliably.

Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

3. In accordance with **IndAS 115 "Revenue from Contracts with customers"**, Revenue is recognised from construction and service activities is based on "over time" method and the company uses the output method to measure progress of delivery.

When the outcome of individual contracts can be estimated reliably, contract revenue and contract cost are recognised as revenue and expenses respectively by reference to the stage of completion at the reporting date. Costs are recognised as incurred and revenue is recognised on the basis of proportion of total cost at the reporting date to the estimated total cost of the contract.

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as due from customers. For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as the amount due to customers. Amounts received before the related work is performed are disclosed in the Balance Sheet as a liability towards advance received.

Amounts billed for work performed but yet to be paid by the customer are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers is disclosed as part of other current assets and is reclassified as trade receivables when it becomes due for payment.

- b) Sale of Goods:** Revenue from sale of goods is recognised when the Company has transferred to the buyer the significant risks and rewards of ownership of the goods, it no longer retains control over the goods sold, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.
- c) Rendering of services :** Revenue from rendering services is recognised when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:
1. the amount of revenue can be measured reliably;
  2. it is probable that the economic benefits associated with the transaction will flow to the Company;
  3. the stage of completion of the transaction at the end of the reporting period can be measured reliably; and
  4. the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Stage of completion is determined by the proportion of actual costs incurred to-date, to the estimated total costs of the transaction.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

- d) Interest Income:** Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.
- e) Dividend Income:** Dividend income is recognised when the Company's right to receive the dividend is established.

### 2. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Assets held under leases that do not transfer substantially all the risks and reward of ownership are not recognized in the balance sheet.

Lease payments under operating lease are generally recognised as an expense in the statement of profit and loss on a straight-line basis over the term of lease unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Further, at the inception of above arrangement, the Company determines whether the above arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Company separates a payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

### 3 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

### 4. Borrowing Cost

Specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

### 5. Income Tax

Income tax expense consists of current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.



## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

### Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

### Deferred tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

## 6. Earnings per share

The Company presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

## 7. Property, plant and equipment

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in IndAS 16 – Property, Plant and Equipment.

### 7.1 Expenditure during construction period

Expenditure during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under “Other non-current Assets”.

### 7.2 Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided as per the Written Down Value Method over the useful lives as prescribed in Schedule II to the Act.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition. Depreciation on deductions/disposals is provided on a pro-rata basis up to the date of deduction/disposal.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit & Loss."

## 8. Intangible assets and amortisation

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

### Amortization

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Company amortizes computer software using the straight-line method over the period of 3 years. "

## 9. Inventories

Inventories are valued after providing for obsolescence, as under:

- (i) Raw materials, components, construction materials, stores, spares and loose tools at lower of weighted average cost or net realisable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or above cost.

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

- (ii) Completed property/work-in-progress in respect of construction activity at lower of specifically identifiable cost or net realisable value.

Assessment of net realisable value is made at each reporting period end and when the circumstances that previously caused inventories to be written-down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the write-down, if any, in the past period is reversed to the extent of the original amount written-down so that the resultant carrying amount is the lower of the cost and the revised net realisable value.

### 10. Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

### 11. Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

- (i) changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- (ii) non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
- (iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

### 12. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Where the Company receives non-monetary grants, the asset and the grant are accounted at fair value and recognised in the statement of profit and loss over the expected useful life of the asset.

### 13. Impairment of non financial assets

The carrying amounts of the Company's non-financial assets, inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

An impairment loss is recognized in the income statement if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Goodwill that forms part of the carrying amount of an investment in an associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

An impairment loss in respect of equity accounted investee is measured by comparing the recoverable amount of investment with its carrying amount. An impairment loss is recognized in the income statement, and reversed if there has been a favorable change in the estimates used to determine the recoverable amount."

### 14. Employee benefits

#### Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### Defined contribution plans

The Company's contributions to defined contribution plans are charged to the income statement as and when the services are received from the employees.

#### Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used. The current service cost of the defined benefit plan, recognized in the income statement in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in income. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the income statement. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

#### Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

### Other long-term employee benefits

The Company's net obligation in respect of other long term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

### 15. Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

### 16. Contingent liabilities & contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

### 17. Financial instruments

Financial assets and/or financial liabilities are recognised when the company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such financial assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Profit or Loss.

In case of funding to subsidiary companies in the form of interest free or concession loans and preference shares, the excess of the actual amount of the funding over initially measured fair value is accounted as an equity investment.

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

### (i) Financial assets:

- A. All recognised financial assets are subsequently measured in their entirety either at amortised cost or at fair value depending on the classification of the financial assets as follows:
1. Investments in debt instruments that are designated as fair value through profit or loss (FVTPL) - at fair value.
  2. Investments in debt instruments that meet the following conditions are subsequently measured at - at amortised cost (unless the same designated as fair value through profit or loss):
    - The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
    - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
  3. Investment in debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income [FVTOCI] (unless the same are designated as fair value through profit or loss)
    - The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
    - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
  4. Debt instruments at FVTPL is a residual category for debt instruments, if any, and all changes are recognised in profit or loss.
  5. Investment in equity instruments issued by subsidiary, associate and joint venture companies are measured at cost less impairment.
  6. Investment in preference shares of the subsidiary companies are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares not meeting the aforesaid conditions are classified as debt instruments at FVTPL.
  7. Investments in equity instruments are classified as at FVTPL, unless the related instruments are not held for trading and the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income.
- B. For financial assets that are measured at FVTOCI, income by way of interest and dividend, provision for impairment and exchange difference, if any, (on debt instrument) are recognised in profit or loss and changes in fair value (other than on account of above income or expense) are recognised in other comprehensive income and accumulated in other equity. On disposal of debt instruments at FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case of equity instruments at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.
- C. A financial asset is primarily derecognised when:
1. the right to receive cash flows from the asset has expired, or
  2. the company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and



## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

- (a) the company has transferred substantially all the risks and rewards of the asset, or
- (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognised in Profit or Loss.

- D. Impairment of financial assets: The company recognises impairment loss on trade receivables using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109. Impairment loss on investments is recognised when the carrying amount exceeds its recoverable amount.

### (ii) Financial liabilities:

- A. Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher.

All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

- B. A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

### 18. Dividends

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

### 19. Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

### 20. Operating segments

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate expenses, finance expenses and income tax expenses.

## **Notes forming part of the financial statements**

**(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)**

Revenue directly attributable to the segments is considered as segment revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Segment assets comprise property, plant and equipment, intangible assets, trade and other receivables, inventories and other assets that can be directly or reasonably allocated to segments. For the purpose of segment reporting for the year, property, plant and equipment have been allocated to segments based on the extent of usage of assets for operations attributable to the respective segments. Segment assets do not include investments, income tax assets, capital work in progress, capital advances, corporate assets and other current assets that cannot reasonably be allocated to segments.

Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade and other payables, employee benefits and provisions. Segment liabilities do not include equity, income tax liabilities, loans and borrowings and other liabilities and provisions that cannot reasonably be allocated to segments.



## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

### 2 Property, plant and equipment

Particulars	Buildings	Plant and Machinery	Ship (Speed Boat)	Computers	Furniture and Fixtures	Vehicles	Total
<b>Cost or Deemed Cost (Gross Carrying Amount)</b>							
<b>As at March 31, 2017</b>	109.92	1,690.13	2.32	76.72	79.01	5.08	1,963.18
Additions	17.07	104.70	-	12.30	22.41	-	156.48
Less: Disposal / Adjustments	-	-	-	-	0.32	1.37	1.69
<b>As at March 31, 2018</b>	126.99	1,794.83	2.32	89.02	101.10	3.71	2,117.97
Additions	5.64	141.44	-	11.35	0.25	-	158.68
Less: Disposal / Adjustments	-	-	-	29.49	8.98	-	38.48
<b>As at March 31, 2019</b>	132.63	1,936.25	2.32	70.88	92.38	3.71	2,238.17
<b>Accumulated depreciation</b>							
<b>As at March 31, 2017</b>	51.51	1,232.81	2.30	71.10	70.06	5.02	1,432.80
Charge for the year	6.30	103.32	-	4.80	9.76	0.01	124.19
Less: Disposal / Adjustments	-	-	-	-	0.24	1.37	1.61
<b>As at March 31, 2018</b>	57.81	1,336.13	2.30	75.90	79.58	3.66	1,555.38
Charge for the year	7.77	106.03	-	10.63	8.00	0.00	132.44
Less: Disposal / Adjustments	-	-	-	29.22	8.78	-	38.00
<b>As at March 31, 2019</b>	65.58	1,442.16	2.30	57.31	78.80	3.67	1,649.82
<b>Net Book Value</b>							
<b>As at March 31, 2017</b>	58.41	457.32	0.02	5.62	8.95	0.06	530.38
<b>As at March 31, 2018</b>	69.18	458.70	0.02	13.12	21.52	0.05	562.59
<b>As at March 31, 2019</b>	67.05	494.06	0.02	13.56	13.58	0.04	588.32

#### Note:

- Refer note 15 for information on Property, Plant & Equipments pledged as security by the Company.
- Building includes Rs. 131.46 lakhs (Previous Year - Rs. 125.82 lakhs) in respect of permanent structures on land at Circular Garden Reach Road, Kolkata, under license agreement from Kolkata Port Trust.

### 3 Intangible assets

Particulars	Computer Software
<b>Cost or Deemed Cost (Gross Carrying Amount)</b>	
<b>As at March 31, 2017</b>	7.69
Additions	8.94
<b>As at March 31, 2018</b>	16.63
Additions	4.39
<b>As at March 31, 2019</b>	21.02
<b>Accumulated amortisation</b>	
<b>As at March 31, 2017</b>	6.85
Charge for the year	1.46
<b>As at March 31, 2018</b>	8.31
Charge for the year	3.49
<b>As at March 31, 2019</b>	11.80
<b>Net Book Value</b>	
<b>As at March 31, 2017</b>	0.84
<b>As at March 31, 2018</b>	8.32
<b>As at March 31, 2019</b>	9.22

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

4 Investments	31 March 2019	31 March 2018
<b>Non-current investments</b>		
<b>(A) Investments in Equity Instruments</b>		
<b>(a) Subsidiary companies (Unquoted, Valued at Cost)</b>		
<b>Bharat Process and Mechanical Engineers Ltd*</b>	486.30	486.30
48,630 Equity Shares of Rs 1000/- each fully paid-up		
<b>(b) Joint Venture companies</b>		
<b>Bhagirathi Bridge Construction Company Limited (Unquoted, Valued at Cost)</b>	0.30	0.30
300 Equity Shares of Rs 100/- each fully paid-up		
<b>(c) Other companies</b>		
<b>Lagan Jute Machinery Co Ltd. (Unquoted, Valued at FVTPL)</b>	42.20	42.20
4,22,000 Equity Shares of Rs 10/- each fully paid-up		
<b>Jessop &amp; Co. Ltd. (Quoted, Valued at FVTPL)*</b>	2,558.01	2,558.01
2,55,80,122 Equity Shares of Rs 10/- each fully paid-up		
<b>(B) Investments in debentures or bonds</b>		
<b>(Unquoted, Valued at Amortised Cost)</b>		
5% Non -Redeemable Registered Debenture Stock of East India Clinic Ltd.	0.16	0.16
99 No. ICICI Redeemable Money Multiplier Bond-2026	67.64	64.21
<b>Total investments</b>	<u><u>3,154.61</u></u>	<u><u>3,151.18</u></u>
<b>Aggregate book value of</b>		
- quoted investments	2,558.01	2,558.01
- unquoted investments	596.60	593.17
<b>Aggregate market value of quoted investments</b>	N/A	N/A
<p>Cost of the equity instruments have been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurement and cost represent the best estimate of fair value within that range.</p> <p>*Bharat Process and Mechanical Engineers Ltd. (BPMEL) and Jessop &amp; Co. Ltd are under liquidation.</p>		
<b>5 Trade receivables (Unsecured)</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
<b>Non-current</b>		
Long Term Trade Receivables, considered good	38.98	38.98
Less: Allowances for doubtful receivables	(38.98)	(38.98)
	<u>-</u>	<u>-</u>
<b>Current</b>		
Considered good	6,293.33	4,354.82
Considered doubtful	778.83	778.83
	<u>7,072.16</u>	<u>5,133.65</u>
Less: Allowance for doubtful receivables	(1,481.60)	(1,247.69)
<b>Total trade receivables</b>	<u><u>5,590.56</u></u>	<u><u>3,885.97</u></u>
a) Refer note 15 for information of trade receivables pledged as securities by the Company.		

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

### 6 Other Financial Assets

	31 March 2019	31 March 2018
<b>Non-current</b>		
Deposits with Bank having maturity of more than one year from the balance sheet date*	-	1,736.00
<b>Others</b>		
Earnest Money & Other Deposit	2,898.43	-
	<u>2,898.43</u>	<u>1,736.00</u>
<b>Current</b>		
<b>Loans &amp; Advances</b>		
GOI Loan receivable on loan to subsidiary company and others	6,796.31	6,796.31
Other Advances	3,305.67	1,341.31
<b>Interest Receivable/Accrued</b>		
On loans to subsidiary company	34,006.55	34,006.55
Accrued Interest on Investment, Deposit & Term Deposits	590.38	671.86
<b>Others</b>		
Earnest Money & Other Deposit	757.38	3,014.78
Less: Allowance for doubtful debts	(53.15)	(53.11)
	<u>704.23</u>	<u>2,961.67</u>
Receivables - Others	34.49	34.49
	<u>45,437.63</u>	<u>45,812.18</u>

\*Includes deposits marked lien in favour Bank Rs. Nil (PY-Rs. 1736 Lakhs).

### 7 Deferred tax asset, net

	31 March 2019	31 March 2018
Deferred tax asset		
- Expected credit loss on financial assets	409.17	418.01
- Provision for employee benefits	110.15	90.08
<b>Total</b>	<u>519.32</u>	<u>508.08</u>
Deferred tax liability		
- Tangible and Intangible assets	(13.96)	(20.69)
- Financial assets at amortised cost	(3.81)	(3.50)
<b>Deferred tax asset, net</b>	<u>501.55</u>	<u>483.90</u>

### 8 Inventories

	31 March 2019	31 March 2018
Raw materials	622.68	403.55
Stores, Spare Parts & Components (Net)	2.78	2.78
Loose Tools	17.31	17.55
Work in progress	2,275.27	2,277.10
<b>Total inventories</b>	<u>2,918.04</u>	<u>2,700.98</u>

a) Refer note 15 for information on inventories pledged as securities by the Company.

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

<b>9 Cash and cash equivalents</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
Balances with banks:		
- On current accounts	203.99	111.64
- In deposit accounts with Original Maturity of less than three months*	4,900.00	8,598.50
Cash on hand	2.23	2.43
<b>Total cash and cash equivalents</b>	<b><u>5,106.23</u></b>	<b><u>8,712.57</u></b>
*Includes deposits marked lien in favour Bank Rs.1000 lakhs (PY-Rs. Nil lakhs).		
<b>10 Other Bank balances</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
Term deposits with Banks with original maturities of more than 3 months	6,888.31	7,784.14
Less: Deposits with Bank disclosed under 'other financial assets' having maturity of more than 12 months	-	(1,736.00)
<b>Total other Bank balances</b>	<b><u>6,888.31</u></b>	<b><u>6,048.14</u></b>
*Includes deposits marked lien in favour Bank Rs.2876 lakhs (PY-Rs.1653.64 lakhs).		
<b>11 Current tax assets</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
Current tax assets (Net of provision)	213.16	66.05
	<b><u>213.16</u></b>	<b><u>66.05</u></b>
<b>12 Other Assets</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
<b>Current</b>		
Balance with Government and Statutory Authorities	648.85	348.17
	<b><u>648.85</u></b>	<b><u>348.17</u></b>
<b>13 Share Capital</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
<b>Authorised Share Capital</b>		
Equity Share Capital		
34,81,000 (March 31, 2018: 34,81,000) equity shares of Rs.1000/- each	<b><u>34,810.00</u></b>	<b><u>34,810.00</u></b>
<b>Issued,</b>		
Equity Share Capital		
12,08,605 (March 31, 2018: 10,37,305) equity shares of Rs.1000/- each	<b><u>12,086.05</u></b>	<b><u>12,086.05</u></b>
<b>Subscribed and fully paid-up share Capital</b>		
Equity Share Capital		
12,08,605 (March 31, 2018: 10,37,305) equity shares of Rs.1000/- each	<b><u>12,086.05</u></b>	<b><u>12,086.05</u></b>
	<b><u>12,086.05</u></b>	<b><u>12,086.05</u></b>

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

**(a) Reconciliation of shares outstanding at the beginning and end of the reporting year**

Particulars	31 March 2019		31 March 2018	
	No. of equity shares	Amount	No. of equity shares	Amount
Outstanding at the beginning of the year	12,08,605	12,086.05	10,37,305	10,373.05
Issued during the year	-	-	1,71,300	1,713.00
Outstanding at the end of the year	<u>12,08,605</u>	<u>12,086</u>	<u>12,08,605</u>	<u>12,086.05</u>

**(b) Terms / rights attached to the equity shares**

Equity shares of the Company have a par value of ₹ 1000 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors (except interim dividend) is subject to the approval of the shareholders in the Annual General Meetings. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Shareholding Pattern with respect of Holding or Ultimate Holding Company**

The Company does not have any Holding Company or Ultimate Holding Company.

**(d) Details of shareholders holding more than 5% shares in the Company**

Particulars	31 March 2019		31 March 2018	
	No. of equity shares held	% holding in the class	No. of equity shares held	% holding in the class
President of India and its nominees	12,086	100%	12,086	100.00%
	<u>12,086</u>	<u>100%</u>	<u>12,086</u>	<u>100.0%</u>

(e) No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

(f) Consequent to Capital Restructuring Schemes sanctioned by Board for Industrial and Financial Reconstruction (BIFR) earlier in respect of Braithwaite & Co. Ltd. ('BCL'), Burn Standard Co. Ltd. ('BSCL'), Bharat Brakes & Valves Ltd. ('BBVL') and RBL Ltd. ('RBL') and pursuant to approval of the Government of India for financial restructuring allowing conversion of loans & interest into equity share capital & Zero Rated Debentures in respect of BSCL, BCL and BBJ.

(g) No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

(h) No calls are unpaid by any Director or Officer of the Company during the year.

**14 Other equity**

	31 March 2019	31 March 2018
Capital Reserve	0.06	0.06
Share application money pending allotment	-	-
Restructuring Equity Share Deposit	-	-
General reserve	1,623.65	1,473.65
Debenture redemption Reserve	153.66	303.66
Retained earnings	7,904.15	9,325.06
	<u>9,681.52</u>	<u>11,102.43</u>

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

	31 March 2019	31 March 2018
<b>(a) Capital Reserve</b>		
Opening balance	0.06	0.06
Additions during the year	-	-
Closing balance	<u>0.06</u>	<u>0.06</u>

Capital reserve represent capital receipts by the Company.

<b>(b) Share application money pending allotment</b>		
Opening balance	-	325
Issued during the year	-	(325)
Closing balance	<u>-</u>	<u>-</u>

In consideration of the direction of Department of Investment and Public Asset Management for the aforesaid amount, the company has issued equity shares to President of India on 28th April, 2017.

<b>(c) Restructuring Equity Share Deposit</b>		
Opening balance	-	1,388.00
Issued during the year	-	(1,388.00)
Closing balance	<u>-</u>	<u>-</u>

Consequent to Capital Restructuring Schemes sanctioned by Board for Industrial and Financial Reconstruction (BIFR) earlier in respect of Braithwaite & Co. Ltd. ('BCL'), Burn Standard Co. Ltd. ('BSCL'), Bharat Brakes & Valves Ltd. ('BBVL') and RBL Ltd. ('RBL') and pursuant to approval of the Government of India for financial restructuring allowing conversion of loans & interest into equity share capital & Zero Rated Debentures in respect of BSCL, BCL and BBJ.

<b>(d) General reserve</b>		
Opening balance	1,473.65	1,473.65
Add: Transfers during the year	150.00	-
Closing balance	<u>1,623.65</u>	<u>1,473.65</u>

General Reserve are free reserves of the company which are kept aside out of company's profits to meet the future requirements as and when they arise.

<b>(e) Debenture redemption Reserve</b>		
Opening balance	303.66	303.66
Add/ (Less): Transfers during the year	(150.00)	-
Closing balance	<u>153.66</u>	<u>303.66</u>

In accordance with applicable provisions of the Companies Act, 2013 read with Rules and as per decision of Board of Directors, the Company has created Debenture Redemption Reserve (DRR) @ 25% of the value of debentures on a prudent basis for the purpose of redemption of debentures.

<b>(f) Retained earnings</b>		
Opening balance	9,325.06	9,852.22
Profit/(loss) for the year	36.13	238.60
Other comprehensive income	-	-
Final dividend	(1,208.61)	(636.24)
Tax on final dividend	(248.43)	(129.52)
Closing balance	<u>7,904.15</u>	<u>9,325.06</u>

Retained Earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

<b>Total other equity</b>	<u>9,681.52</u>	<u>11,102.43</u>
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## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

15 Borrowings	31 March 2019	31 March 2018
<b>Non-current Borrowings</b>		
<b>Unsecured loans</b>		
<b>Restructuring Debenture Deposit:</b>		
Loan converted to Zero Rate Debenture pending allotment (refer note A below)	313.07	326.80
<b>Total non-current borrowings</b>	<b>313.07</b>	<b>326.80</b>
<b>Current Borrowings</b>		
<b>Secured loans repayable on demand</b>		
- Overdraft from Canara Bank (refer note B below)	0.79	0.56
Other Loans and advances from the Government of India (refer note C below)	6,589.00	6,589.00
<b>Total current borrowings</b>	<b>6,589.79</b>	<b>6,589.56</b>

**A. Loan converted to Zero Rate Debenture pending allotment:**

Consequent to Capital Restructuring Schemes sanctioned by Board for Industrial and Financial Reconstruction (BIFR) earlier in respect of Braithwaite & Co. Ltd. ('BCL'), Burn Standard Co. Ltd. ('BSCL'), Bharat Brakes & Valves Ltd. ('BBVL') and RBL Ltd. ('RBL') and pursuant to approval of the Government of India for financial restructuring allowing conversion of loans & interest into equity share capital & Zero Rated Debentures in respect of BSCL, BCL and BBJ and pending completion of formalities, Zero Rated Debentures are pending for allotment due to non-receipt of terms governing the issue.

**Terms of repayment**

Company is required to repay the Zero Rate Debenture (ZRD) in equal yearly installment of Rs. 50 lakhs.

**B. Overdraft from Canara Bank:**

Details of Security given for loan

Overdraft from Canara Bank is primarily secured by hypothecation of stock and book debts and collaterally secured by hypothecation of Fixed assets including Ship, Plant and Machinery, Furniture and Fixtures and Vehicles and Equitable mortgage of the Company's Flat at 22, Lee Road, Kolkata - 700020.

**Details of Interest Rates on Short Term Borrowings**

The overdraft having interest rate varying between 11.10% p.a. - 11.25%p.a. is repayable on demand.

**C. Loans and advances from the Government of India:**

In line with prudent accounting principles and pursuant to consistent practice, interest on account of Government of India loans released to certain subsidiaries through the Company presently under winding up has not been accounted for since corresponding realisation of interest from such subsidiaries by the Company is uncertain.

16 Provisions	31 March 2019	31 March 2018
<b>Non-Current</b>		
Provision for employee benefits		
- Gratuity	55.44	122.40
- Leave Encashment	373.06	263.94
	<b>428.50</b>	<b>386.34</b>
<b>Current</b>		
Provision for employee benefits		
- Leave Encashment	50.58	24.76
- Provision for L.T.A	-	17.57
	<b>50.58</b>	<b>42.33</b>

a) Disclosures required by Ind AS 19 'Employee Benefits' is made in Note 33.

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

### 17 Other liabilities

	31 March 2019	31 March 2018
Non-current		
Deferred Government Grant	216.80	251.55
	<u>216.80</u>	<u>251.55</u>
Current		
Deferred Government Grant	34.75	36.27
Advance from customers	2,293.07	1,888.47
Statutory Dues	57.70	
	<u>2,385.51</u>	<u>1,924.74</u>

### 18 Trade payables

	31 March 2019	31 March 2018
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 34)	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	7,597.46	6,288.00
	<u>7,597.46</u>	<u>6,288.00</u>

### 19 Other financial liabilities

	31 March 2019	31 March 2018
Interest accrued & due on borrowing	34,016.12	34,016.12
Employee Benefits Payable	58.71	
Restructuring Debenture Deposit:		
Current Maturities on Loan convertible to zero rate Debenture	50.00	50.00
Trade and Security Deposits	480.81	461.12
	<u>34,605.64</u>	<u>34,527.24</u>

### 20 Revenue from operations

	31 March 2019	31 March 2018
Income from Construction Contracts	10,283.15	8,758.55
	<u>10,283.15</u>	<u>8,758.55</u>
Other Operating income:		
Sale of Scrap	217.62	85.52
	<u>10,500.77</u>	<u>8,844.06</u>



## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

<b>21 Other income</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
Apportioned Income from Government Grant	36.27	37.65
Interest income		
- on bank and Security Deposits	993.24	1,219.98
- on bonds	3.43	3.26
Other Non-operating income	40.45	2.44
(Includes foreign exchange fluctuation gain of Rs 0.35 lakhs (Previous year - Rs. 0.02 lakhs))		
Prior Period Adjustment (net)	341.84	-
Profit on sale Property, Plant & Equipment (Net)	0.94	0.31
Reversal of allowance for doubtful receivables	-	12.66
Encashment of B.G / Forfeiture of S.D. & E.M.D.	48.60	-
	<u>1,464.77</u>	<u>1,276.29</u>
<b>22 Cost of materials consumed</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
Opening Stock of Raw Materials and Consumables	403.55	104.81
Add : Purchases during the year	<u>2,046.07</u>	<u>2,268.30</u>
	2,449.62	2,373.11
Less : Closing Stock of Raw Materials and Consumables	<u>622.68</u>	<u>403.55</u>
	1,826.94	1,969.56
Add : Other expenses during the year	36.44	83.73
	<u>1,863.38</u>	<u>2,053.29</u>
<b>23 Changes in inventories and Work in progress</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
Work in progress		
Inventories at the beginning of the year	2,277.10	3,892.76
Less : Inventories at the end of the year	2,275.27	2,277.10
	<u>1.82</u>	<u>1,615.66</u>
(Increase)/ Decrease in Inventories		
<b>24 Employee benefits expense</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
Salaries, wages and bonus	1,793.71	1,639.42
Contribution to provident and other funds	230.71	285.98
Staff welfare expenses	65.38	76.76
	<u>2,089.80</u>	<u>2,002.16</u>

a) Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note 33.

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

25 Finance costs	31 March 2019	31 March 2018
<b>Finance charges on financial liabilities measured at amortised cost</b>		
Debentures	36.27	37.65
<b>Other borrowing costs</b>		
Bank interest and commissions	29.20	70.76
	<u>65.47</u>	<u>108.41</u>
<b>26 Depreciation and Amortisation expense</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
Depreciation of tangible assets	132.45	124.19
Amortization of intangible assets	3.49	1.46
	<u>135.93</u>	<u>125.65</u>
<b>27 Other expenses</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
Advertisement	30.75	21.17
Allowance for doubtful debts	0.04	0.21
Allowance for doubtful receivables	233.93	-
Bank Charges	0.73	0.66
Car Hire Charges	52.33	55.92
Consumption of Stores, Spares & Loose Tools	53.17	240.82
Corporate Social Responsibility Expenses	50.00	89.40
Encashment of B.G/Forfeiture of EMD, SD	-	70.76
Fabricated Steelwork expenses	405.17	193.32
Freight & forwarding	47.16	11.97
Insurance	3.36	6.30
Labour Cess	54.39	26.78
Legal/Consultancy & Professional Charges	136.14	71.95
Miscellaneous Expenses	120.18	106.50
Postage, Telephone & Fax	5.15	8.73
Printing and stationery	6.40	8.41
Prior Period Adjustment (net)	-	7.29
Plant & Crane Hire Charge	1.17	17.30
Power & Fuel	89.73	129.74
Rates and taxes	4.92	161.75
Rent	40.99	85.09
<b>Repair &amp; Maintenance :</b>		
- Buildings	0.02	0.01
- Plant & Machinery	0.62	0.55
- Others	3.12	2.36
Site Establishment expenses	0.73	1.84
Sub Contract & other conversion charges	6,243.60	2,371.78
Subscription & Donation	7.10	2.25
Testing Charges	3.09	7.13
Travelling Expenses	55.29	53.27
	<u>7,649.26</u>	<u>3,753.25</u>

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

### 28 Tax expenses

	31 March 2019	31 March 2018
<b>Current income tax:</b>		
Current income tax charge	141.41	230.14
MAT credit entitlement		-
<b>Deferred tax:</b>		
Relating to originating and reversal of temporary differences	(17.65)	(6.81)
<b>Income tax expense recognised in the statement of profit or loss</b>	<b>123.75</b>	<b>223.33</b>
 <b>Deferred tax related to items considered in OCI during the year</b>		
	<b>31 March 2019</b>	<b>31 March 2018</b>
Items that will not be reclassified to profit or loss	-	-
Items that will be reclassified to profit or loss	-	-
<b>Income tax charge to OCI</b>	<b>-</b>	<b>-</b>
 <b>Reconciliation of tax expense with the accounting profit multiplied by domestic tax rate:</b>		
	<b>31 March 2019</b>	<b>31 March 2018</b>
Accounting profit before income tax	159.88	461.93
Tax on accounting profit at statutory income tax rate 27.82% (March 31, 2018: 34.608%)	44.48	159.87
Adjustments in respect of items taken to opening equity allowed for tax purposes (1/5th of the total)	-	-
Adjustments in respect of deferred tax at lower rates (26%)	(17.65)	(6.81)
Others		70.28
Total at the effective tax rate of 16.78% (March 31, 2018: 48.348%)	26.82	223.34
<b>Tax expense reported in the statement of profit and loss</b>	<b>123.75</b>	<b>223.33</b>

#### Dividend distribution tax on proposed dividend not recognised at the end of the reporting period

Since year end, the directors have recommended the payment of final dividend amounting to Rs. 1208.61 lakhs (31 March 2018: Rs. 1208.61 lakhs). The dividend distribution tax on this proposed dividend amounting to Rs. 237.34 lakhs (31 March 2018: Rs. 248.43 lakhs) has not been recognised since this proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

### 29 Contingent liabilities and commitments

Particulars	As at 31-Mar-19	As at 31-Mar-18
i) Contingent liabilities:		
- Bank guarantees	3,588.28	3,360.43
- Disputed Sales Tax demand (Refer note A below)	132.73	100.44
- Disputed Income Tax demand	440.68	308.86
- Disputed Service Tax demand	154.45	154.45
- Disputed PF demand under appeal	54.14	54.14
- Disputed Sales Tax demand for WB	63.66	137.48
- Disputed Goods and Service Tax demand (TRAN 1 Interest)	12.55	0.00

\*The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business including litigation before tax authorities and including matters mentioned above. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the claimants or the Company, as the case may be, and therefore cannot be predicted accurately. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes. The Management believes that it has a reasonable case in its defense of the proceedings and accordingly no further provision is required. Further details of court cases is provided in note 40.

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

### 30 Related party disclosures

a) The following table provides the name of the related party and the nature of its relationship with the Company:

Name	Relationship
Shri Sundar Banerjee	Chairman & Managing Director from 1st August 2017 and Director (Technical) for the full year.
Shri R. K. Mitra	Director (Finance) from 24th October 2017
Shri S K Singh	Official Director from 11th December 2017
Smt. Bela Banerjee	Part time Official Director
Shri Tapas Kumar Chatterjee	Part time Official Director

b) Details of all transactions with related parties during the year:

Particulars	31-Mar-19	31-Mar-18
i) Remuneration of Managing/Whole-time Directors: -		
Salaries and Allowances as Director	50.19	25.39
Salaries and Allowances as employee	-	-
Contribution to provident fund as Director	4.71	2.68
Contribution to provident fund as employee	-	-
(Salaries and allowances include leave encashment payment)		
ii) Sitting Fees to non-official part time Directors	2.00	2.10

c) Terms and conditions of transactions with related parties:

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

### 31 Segment information

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating and geographical segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments and geographical segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance and allocates resources on overall basis.

The Company is primarily engaged in the business of construction including fabrication, which as per Indian Accounting Standard - 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India which is considered as a single geographical segment.

### 32 Auditors' remuneration include:

Particulars	31-Mar-19	31-Mar-18
Statutory audit fee	0.80	0.50
Tax audit fee	0.30	0.20
Others	0.40	0.24
<b>Total</b>	<b>1.50</b>	<b>0.94</b>

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

### 33 Disclosure as per Ind AS 19 'Employee benefits'

#### a) Gratuity

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/exit, restricted to a sum of ₹ 20,00,000.

The Company has taken Group Gratuity Policy from LIC of India and the resultant liability as determined on actuarial basis by LIC has been remitted by the Company in every year.

Gratuity expenditure of the Company for the financial year 2018-19 amounts to Rs. 87.32 lakhs (previous year Rs.126.14 lakhs) of the above, liability determined by LIC(the Fund Administrator) amounts to Rs. 55.44 lakhs (previous year Rs. 122.06 lakhs ). Provision for Gratuity also includes an old Gratuity Liability of 0.33 Lakhs (previous year 0.33 Lakhs)."

#### b) Leave

The Company provides for earned leave benefit (including compensated absences) to the employees of the Company which accrue annually at 30 days. Earned leave (EL) is en-cashable while in service. However, total number of leave that can be encashed on superannuation shall be restricted to 300 days. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. A provision of Rs. 423.64 lakhs (31 March 2018: Rs. 288.70 lakhs) for the year have been made on the basis of actuarial valuation at the year end and debited to the Statement of Profit and Loss.

The following tables summarize the components of net benefit expense recognised in the statement of profit or loss and the amounts recognised in the balance sheet:

Reconciliation of opening and closing balances of the present value of the obligation:

Particulars	31-Mar-19	31-Mar-18
Opening balance	288.70	284.10
Current service cost	27.29	17.45
Past service cost	81.04	-
Interest cost	18.77	19.79
Benefits paid	(72.13)	(52.16)
Actuarial gain	79.97	19.53
Acquisition Adjustment	-	-
<b>Closing balance</b>	<b>423.64</b>	<b>288.70</b>
Present value of projected benefit obligation at the end of the year	423.64	288.70
Fair value of plan assets at the end of the year	-	-
Net liability recognised in the balance sheet	<b>423.64</b>	<b>288.70</b>
Current provision	50.58	24.77
Non current provision	373.06	263.94

Expenses recognised in statement of profit and loss	31-Mar-19	31-Mar-18
Service cost	108.33	17.45
Interest cost	18.77	19.79
Re-measurement gains/ (losses)		
Actuarial gain/ (loss) due to demographic assumption changes	-	-
Actuarial gain/ (loss) due to financial assumption changes	7.83	(3.76)
Actuarial gain/ (loss) due to experience adjustments	72.13	23.28
Return on plan assets greater (less) than discount rate	-	-
<b>Total cost</b>	<b>207.07</b>	<b>56.76</b>

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

Assumptions	31-Mar-19	31-Mar-18
Discount rate (per annum)	7.43%	7.67%
Future salary increases	7.00%	7.00%

A quantitative sensitivity analysis for significant assumption and its impact in percentage terms on projected benefit obligation are as follows:

	31-Mar-19	
	Discount rate	Salary escalation rate
Impact of increase in 50 bps on projected benefit obligation	-3.78%	4.04%
Impact of decrease in 50 bps on projected benefit obligation	4.06%	-3.80%

	31-Mar-18	
	Discount rate	Salary escalation rate
Impact of increase in 50 bps on projected benefit obligation	-3.67%	3.90%
Impact of decrease in 50 bps on projected benefit obligation	3.91%	-3.68%

These sensitivities have been calculated to show the movement in projected benefit obligation in isolation and assuming there are no other changes in market conditions.

### 34 Dues to Micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2019 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.

	Particulars	31-Mar-19	31-Mar-18
a)	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	Nil	Nil
b)	the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
c)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this MSMED Act	Nil	Nil
d)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	Nil	Nil

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

### 35 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity Shares."

The following table sets out the computation of basic and diluted earnings per share:

Particulars	31-Mar-19	31-Mar-18
Profit for the year attributable to equity share holders	36.13	238.60
<b>Shares</b>		
Weighted average number of equity shares outstanding during the year – basic	12,08,605	11,95,933
Weighted average number of equity shares outstanding during the year – diluted	12,08,605	11,95,933
<b>Earnings per share</b>		
Earnings per share of par value ₹ 1000 – basic (₹)	2.99	19.95
Earnings per share of par value ₹ 1000 – diluted (₹)	2.99	19.95

### 36 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below."

#### a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits. The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018. The sensitivity analyses have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations; provisions.

The below assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations with floating interest rates.

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

The Company manages its interest rate risk by having a balanced portfolio of variable rate borrowings. The Company does not enter into any interest rate swaps.

### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in interest rate
<b>March 31, 2019</b>	
INR	+1%
INR	-1%
<b>March 31, 2018</b>	
INR	+1%
INR	-1%

### b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables and other financial assets. The movement in allowance for credit loss in respect of trade receivables during the year was as follows:

Allowance for credit loss	31-Mar-19
Opening balance	1339.78
Credit loss provided	233.97
Credit loss reversed	-
Closing balance	1,573.75

### c) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	On demand	Less than 3 months	3 to 12 months
<b>Year ended March 31, 2019</b>			
Borrowings	6,589.79		
Trade payables	7,597.46		
<b>Year ended March 31, 2018</b>			
Borrowings	6,589.56	-	-
Trade payables	6,288.00	-	-



## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

### 37 Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves."

The capital structure as of March 31, 2019 and March 31, 2018 was as follows:

Particulars	31-Mar-19	31-Mar-18
Total equity attributable to the equity shareholders of the Company	21,767.57	23,188.49
As a percentage of total capital	75.79%	76.90%
Long term borrowings including current maturities	363.07	376.80
Short term borrowings	6,589.79	6,589.56
Total borrowings	6,952.87	6,966.36
As a percentage of total capital	24.21%	23.10%
Total capital (equity and borrowings)	<b>28,720.44</b>	<b>30,154.85</b>

### 38 Disclosure pursuant to IndAS 115 "Revenue from Contracts with Customers"

A Effective 1 April, 2018, the company adopted Ind AS 115 "Revenue from contracts with customer" and recognition from construction and service activities is based on "over time" method and the company uses the output method to measure progress of delivery using the Percentage Completion method, which is in line with the policy used by the company earlier. There is no significant transaction impact on the financials of the company.

#### B Disaggregation of Revenue

Particulars	31-Mar-19	31-Mar-18
Revenue from operations	10,283.15	8,758.55
Other Revenue	217.62	85.52
Total	10,500.77	8,844.06

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

### 39 Corporate Social Responsibility Expenses (CSR)

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

Particulars	31st March 2019	31st March 2018
A. Amount required to be spent during the year	-	113.99
B. Shortfall amount of previous year	24.60	-
<b>C. Total(A+B)</b>	24.60	113.99
D. Amount spent during the year on:		
- Construction/acquisition of any asset	-	-
- On purposes other than above	50.00	89.39
<b>Total</b>	50.00	89.39
Shortfall amount	-	24.60

#### a) Amount spent during the year ended 31 March 2019:

Particulars	In cash	Yet to be paid in cash	Total
Construction/acquisition of any asset	-	-	-
On purposes other than above	50.00	-	50.00

#### b) Amount spent during the year ended 31 March 2018:

Particulars	In cash	Yet to be paid in cash	Total
Construction/acquisition of any asset	-	-	-
On purposes other than above	89.39	-	89.39

#### c) Break-up of the CSR expenses under major heads is as under:

Particulars	31st March 2019	31st March 2018
1. Swachh Bharat Kosh	40.00	60.00
2. Clean Ganga Fund	10.00	15.00
3. Skill Development Training	-	10.00
4. Education	-	2.43
5. Health	-	1.96
6. Armed Forces Flag Day Fund	-	-
<b>Total</b>	50.00	89.39

**Notes forming part of the financial statements**  
**(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)**

40 (a) Details of Court Cases

S. No.	Type of Case	Year of Commencement	Particulars	Amount involved (Rs.)	Present Status of the case	Reasons of pendency and existence, Effectiveness of a Monitoring Mechanism	Pending Before
1	Company matter at Calcutta High Court (G.A 932 of 2013 / APOT 61 of 2013) Titagarh Wagons Ltd & Ors -vs- UOI & ors.	2013	This is an appeal preferred before a Division Bench against Order dttd: 19.12.2012 of a single Judge of the High Court in W.P.No: 1509 of 2003 (and several other G.As arising there from) Fact: 1. The Petitioners were not aware that Jessop & Co. Ltd. would receive the proceeds of sale of 5.5 acres of land to Metro Railway, Kolkata amount to Rs.14 crore though Respondent No. 5 (Indo Wagon) was at all material times aware of this. 2. The reserve price was fixed after bid were opened.	Since the Petitioner challenged the process of disinvestment of JCL - Amount involvement not mentioned/ assessed.	The Petitioner's Counsels were arguing the matter. On 02.02.2016 the matter was partly heard by the Hon'ble Division bench consisting of the Hon'ble chief Justice and Justice Joymalaya Bagchi when their Lordships were pleased to cancel the partition and released the matter. The matter further listed under the Hon'ble Division Bench consisting of Hon'ble Justice IP Mukherjee and Pratik Prakash Banerjee. The matter mentioned by Petitioners on 15.02.2019. However, the said Division bench released	After releasing the matter by Hon'ble Division Bench consisting of Hon'ble Justice I P Mukherjee and Pratik Prakash Banerjee, the Petitioner yet to mention the same in any Court and matter not listed further as on 31.03.2019.	8 The matter is pending - The particular Bench is yet to confirm.
2	Company matters at Calcutta High Court W.P.No: 19046 (W) of 2008 BBUNL & Anr. -vs- AAIFR, JCL, BIFR & Ors.	2008	Writ Petition filed challenging the Orders passed by AAIFR on 28.02.2008 dismissing the appeals preferred by the Company against BIFR's order dated 31.8.2005, 06.10.2005 & 28.04.2006 [AAIFR, in line with BIFR, permitted reduction of equity shares of JCL from Rs.10 to 1 caused to infusion of capital by issue of equity shares on 'Rights' basis which was exempting a 'Rights' issue from compliance of SEBI formalities and declaring that JCL is outside the purview of SIC (Spl. Prov) Act, 1985)	Reduction in face value of Equity shares of Jessop causing loss of Rs.23.02 crore.	Matter not listed till date	Matter not listed till date	Hon'ble High Court, Calcutta
3	Company matter at Calcutta High Court W/P NO: 4224 (W) OF 2010 In do- Wagon Engg. Ltd. & Anr. - vs - UOI, BBUNL & Ors.	2010	As per SHA entered by BBUNL with the Petitioner, was required to pledge the 72% shares transferred for 3 years from the date of transfer which are deposited with / in custody of Stock Holding Corpn. Of India Ltd in 'Demat' form, but upon expiry of 3 years, BBUNL did not issue the 'Pledge closure' confirmation form in respect of the pledged shares	The petitioner not mentioned the valuation involvement / not assessed.	Matter not listed till date	Matter not listed till date	Hon'ble High Court, Calcutta

**Notes forming part of the financial statements**  
**(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)**

40 (a) Details of Court Cases

S. No.	Type of Case	Year of Commencement	Particulars	Amount involved (Rs.)	Present Status of the case	Reasons of pendency and effectiveness of a Monitoring Mechanism	Pending Before
1	2	3	4	5	6	7	8
4	Money Suit at First Civil Judge (Sr. Division) 24 Prgs. TS No.3506/2009 / 91 of 2009 BBUNL -vs- Jessop & Co. Ltd	2009	For Recovery of service charges from Sept'01 to August'03 for Rs.82,71,520/- wrongly refunded by the Company in 2005 along with interest, costs.	Rs.82,71,520/- plus interest.	Adding of evidence, Cross-examination of witness, arguments of Defendants have already completed. Co's Sr. Counsel has started his argument. During hearing on 07.1.2016 Co's Counsel filed an application for change the 'Cause Title' due to change of name of the company.  The matter was fixed on 11.04.2017 for hearing on Co's application under Order 6, Rule 17 of CPC for substitution of cause title of the plaintiff. Since no step was taken on behalf of the appearing defendant No.1, the Court has allowed several adjournments. However, on 17.09.2018 the matter was taken up by Hon'ble Court and allowed the application and directed to file amended Plaintiff changing the cause Title. Amended Plaintiff has filed on 6.12.2018. Matter is yet to fix for hearing up to 31.03.2019.	Since no step was taken on behalf of the appearing defendant No.1, the Court has allowed several adjournments. The matter is yet to fix up for hearing till 31.03.2019.	First Civil Judge (Senior Division) Dist- 24 Parganas (South) at Alipore
5	C.O. No. 1157 of 2018 Union of India -vs- UCO Bank & Ors. Respondents: 1. UCO Bank 2. TPG Equity Management & Pvt.Ltd. 3. B P M E L ( in Liquidation) B B J Construction Co. Ltd	2018	Earlier UoI filed Appeal vide Case No. 118 of 2012 and TPG Equity Management Pvt Ltd filed cross Appeal vide No.138 of 2012 against the Order dated 23.02.2012 of the Ld. Presiding Officer, Debts Recovery Tribunal-I, Kolkata in Appeal No. 2 of 2011 filed by the Company against order dated 23.03.2011 of the Recovery Officer.  Ld. Presiding Officer vide Order dated 23.02.2012 set aside the order of attachment of the shares of BPMEEL. However, in the said order Ld. Tribunal advised Union of India to consider transfer of the shares of BPMEEL to TPG Equity Management Pvt. Ltd., in discharge of their liability or by any other way.  The matter was taken up on 12.02.2018 for continuing the matter for hearing. After submission of Govt. Counsel for considering for hearing the matter. The Tribunal did not consider the matter and inclined for further hearing the matter due to past lapses on the part of Appellant and Govt. Counsel and dismissed the re-restoration application.	UCO Banks has obtained a decree from D R T on 4.11.2003 for Rs.4,08,26,270.27 with interest against BPMEEL and UCO Bank has assigned the said decree amounting to Rs.4,08,26,370.27 to TPG with upto date interest.	Being aggrieved, Union of India has filed a Revision Petition before the Hon'ble High Court, Calcutta on 10.5.2018.  The matter is appearing in the list of Hon'ble Justice Sabvasachi Bhattacharyya, High Court, Calcutta (Original side) under the Heading "Listed Motion". The matter is yet to take up for hearing.	Branch Secretariat appointed Mr. M S Tiwari as Advocate-on - record of UoI who filed Revision Petition before the Hon'ble High Court on 10.05.2018 which is yet to take up for hearing till to 31.03.2019.	High Court at Calcutta
6	Service matter at High Court at Calcutta W.P No: 14592 (W) of 2014 Smt. Saroj Agarwal (Petitioner) -vs- UOI, BBUNL & Ors	2014	The Petitioner has been determined by the management vide letter dated 30th April, 2014 and settled her all dues as per terms of employment	Not Assessable	The matter came up on 27.01.2015 when Hon'ble Court directed the Secretary/DHI & Company to file Affidavit against certain exercise by 4 weeks. The Co. prepared and affirmed Affidavit and UOI affirmed its Affidavit on 28.07.2015. Govt. Counsel will take leave for filing when the matter will come up.	The matter was listed in the Court of Justice Debangsu Basak. The matter was taken up on 14.12.2018. Upon hearing, his Lordship was pleased to release the matter from his list. The Petitioner's Counsel informed that the matter mentioned before Hon'ble Justice Arijit Banerjee on 15.01.2019 for upgradation of the matter when His Lordship was pleased to allow such mentioning. The matter is yet to list till 31.03.2019.	Hon'ble Justice I P Mukherjee, High Court, Calcutta.

**Notes forming part of the financial statements**  
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40 (a) Details of Court Cases

S. No.	Type of Case	Year of Commencement	Particulars	Amount involved (Rs.)	Present Status of the case	Reasons of pendency and existence. Effectiveness of a Monitoring Mechanism	Pending Before
1	2	3	4	5	6	7	8
7	Service Matter at Calcutta High Court W.P. No:116 of 2015-08-11 Amit Dasgupta –vs- UOI, BBUNL & Ors.	2015	Disciplinary proceedings under CDA Rules of BBUNL were initiated against the Petitioner while working as Manager (Coordination) & awarded him "Compulsory Retirement". As observed by the Court on 02.06.14 about certain procedural error, matter was remanded to Disciplinary Authority for fresh consideration & accordingly, Disciplinary Authority (Director Technical) served an order on the petitioner with the same punishment of "Compulsory Retirement" on 05.08.14. Against this order, the petitioner moved a separate Writ Petition.	Not assessable	"The matter appeared in the list of Hon'ble Justice Sambuddha Chakrabarti on 14.3.2017 when the Petitioner filed an application for amendment of cause title in the said matter. After hearing counsel on behalf of the Petitioner His Lordship was pleased to direct the matter to appear in the list of hearing on 11.04.2017 but not listed.  The matter was further appeared in the list before the Hon'ble Justice Dr. Sambuddha Chakrabarti on 30.01.2018 and was called when as none appeared on behalf of the Petitioner His Lordship was pleased to dismiss the writ Petition for default.  It is reported that the matter was further mentioned when His Lordship was pleased to recall the order of dismissal. The matter is due to appear further. Yet to come up in the list.	"Since the matter is yet to take up by the Hon'ble Court, the matter is pending till 31.03.2019."	Hon'ble Justice Sambuddha Chakrabarti.
8	"Arbitration matter at Calcutta High Court A.P.No.9 of 2016 G.A.No.120 of 2016 Indo Wagon Engg. Co. Ltd. - vs - BBUNL High Court, Calcutta E.C.No.458 of 2018 The Braithwaite Burn & Jessop Construction Co. Ltd. -vs- Indo Wagon Engg. Co.Ltd."	2016	An Arbitration proceedings were held between the Company and Indo Wagon Engg. Ltd (IWEL) for the following disputes: a) reduction of equity shares of Jessop & Co. Ltd. ("Jessop") from Rs.10/- to Re.1/-; b) Rights' issue of equity shares made by Jessop in 2005; c) Non-appointment of nominee of BBUNL on the Board of Directors of Jessop after the last nominee. (BBUNL have also not issued the "pledge closures confirmation form" for 72% equity shares sold on 29.08.2003); The Sole Arbitrator passed the following Award on 11.09.2015: The Award is passed in favour of the Claimant (the Company) against the respondent (IWEL) in terms of prayers (c) and (g) in the statement of claim. Further award is passed of interest payable by the respondent to the claimant at the rate of 18% per annum from the date of the award till actual recovery in case the respondent fails to pay the said amounts mentioned in prayers (c) and (g) in the statement of claim within three months from the date of the Award. .... For Information: The prayer (c) of the statement of claim reads as follows: "In the alternative to prayers "a" and "b" an award of Rs.23,02,21,098/- with interest at 15% per annum from August 31, 2005 till the date of filling of the claim." Prayer "g" reads as follows: "In the alternative to prayers "d" to "f" an award for Rs.1800.28 lacs with interest at 15% per annum from November 1, 2005 till the filling of the claim". Being aggrieved IWEL filed the said Petition before the Hon'ble High Court on 05.01.2016 with the following prayers: (a) For setting aside the said Award dtd: 11.09.2015 and others. ....	Rs.41 crores approx plus interest (as per the Arbitration Award)	Reg: AP No.9 of 2016; The matter was fixed for hearing on 07.03.2017 but the said matter was not listed on 07.03.2017. However, the Company has filed Affidavit against the application of IWEL praying for dismissing the appeal and G.A Applications as per directions of Hon'ble Court. The matter yet to list for further hearing.  Reg: EC No.458 of 2018; In support of a recent judgement dated 15.03.2018 of Hon'ble Supreme Court of India regarding applicability of amendment Section 36 of the Arbitration & Conciliation Act, the Company filed afresh an Execution Application on 19.09.2018 from the Award dated 15.09.2015. The matter was taken up on 22.01.2019 when the Hon'ble Court was pleased to direct issue of Notice under Order 21 Rule 22(1) of CPC and making it returnable on 06.03.2019. Accordingly, the concerned office of Calcutta High Court issued the aforesaid Notice to the Judgement Debtor i.e. Indo Wagon Engg. Ltd. The matter was under Hon'ble Justice Arijit Banerjee. However, the matter was not listed on 06.03.2019. The matter further listed on 12.03.2019, but the matter was not taken up. The matter was again listed and taken up on 14.03.2019 when the Court was pleased to direct the Petitioner to serve further the copy of Petition to the respondent and the matter will be heard on 19.03.2019. The matter was taken up on 19.03.2019 and after hearing all counsels, the Hon'ble Court was pleased to allow the Respondent to obtain Stay order under pending application under Section 34 of Arbitration and Conciliation Act 2015 (amended) within fortnight. The matter will further be heard after fortnight for further proceedings and directions.	The matter is not listed further. <b>Reg: EC No. 458 of 2018</b> The matter would further be heard after fortnight for further proceedings and directions.	Hon'ble Justice I.P. Mukherjee. High Court, Calcutta Hon'ble Justice Arijit Banerjee. High Court, Calcutta

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40 (a) Details of Court Cases

S. No.	Type of Case	Year of Commencement	Particulars	Amount involved (Rs.)	Present Status of the case	Reasons of pendency and effectiveness of a Monitoring Mechanism	Pending Before
9	P.F matters - Employees' Provident Funds Appellate Tribunal, New Delhi (EPFAT) ATA No.299(15) of 2016 and CGIT case No: Appeal No. EPP-09 of 2016 The Braithwaite Burn & Jessop Const. Co.Ltd. -vs- Asstt.Provident Fund Commissioner ,R.O,Kolkata	2016	APFC, R.O, Kolkata has made a damage claim under Section 14(B) and 7(O) of the Employees' Provident Fund & Misc. Provisions Act, 1952 for totalling Rs.96,773/- . After several hearing the APFC, R.O, Kolkata again directed vide order dated 15.02.2016 to deposit Rs.66,43,791/- towards above damage u/s 14(B) of the said Act. The said order has been challenged by the Company before the Employees' Provident Fund/Appellate Tribunal, New Delhi.	Rs.66,43,791	The Company has filed application against the said order and also the respondent has filed its reply as per direction of the Tribunal. The Tribunal orders for deposition of 50% of the assessed amount. In the meantime the Company has also filed an interim application praying for restraining of any coercive measure by the EPFO, Kolkata and considering the deposition which was available in Savings A/C of the BBUNL RPF (the trust). The Ld. Presiding Officer vide order dated 22.09.2016 directed to deposit Rs.16,76,335/- The Company has deposited the said amount with APFC, R.O. Kolkata on 01.10.2016. The next date for hearing was 10.07.2017. In the meantime as per Notification dated 26.05.2017 the Central Govt has abolished the EPFAT at Delhi and Bangalore and cases pending in the said Tribunal shall now transferred to the Central Govt. Industrial Tribunal cum Labour Court (CGIT) in concerned State.	Notice has been issued by CGIT for hearing on 05.10.2018. The case was taken up and Co. Filed Vakalatnama. Earlier dates for hearing on 16.10.2018 and 10.01.2019 were adjourned. The matter was taken up on 29.03.2019 as scheduled. Due to non-submission of Vakalatnama by Respondent's Advocates, the Ld. Court allowed once and adjourned the matter and fixed for hearing on 07.06.2019.	CGIT Kolkata
10	Arbitration Appeal AP No. - 738 of 2010 (Civtech matter between - BBJ - Versus - Civtech)	2010	Petition under Section 34 of the Arbitration & Conciliation Act, 1996 challenging the Award passed against M/s.BBJ was filed before the Hon'ble High Court at Calcutta during December 2010. The Case is pending since then.	Rs.17 Lakhs + interest	Pending	The matter is yet to be listed for final hearing by the Hon'ble High Court at Calcutta	The Hon'ble High Court at Calcutta (Original Side).
11	Arbitration Appeal AA No. - 1 of 2010 (Kunwari Ist Bridge Contract matter between - N. C. Railway - Versus - BBJ)	2010	<ul style="list-style-type: none"> <li>A zero liability Award was passed in favour of M/s.BBJ. North Central Railways challenged the said Award u/s.34 of the Arbitration &amp; Conciliation Act, 1996 before the Learned Gwalior District Court. No copy was served upon M/s.BBJ, hence none was engaged.</li> <li>The said Court however rejected Claims of North Central Railways and passed Order dated 09.11.2009.</li> <li>Being aggrieved, North Central Railways challenged the said Order of the Learned District Court before the Gwalior Bench of the Hon'ble MP High Court. Incomplete Copy was served upon M/s.BBJ and M/s.BBJ joined the proceeding as respondent. BBJ is yet to file Objection to the Appeal.</li> </ul>	Zero liability	Pending	The matter is pending for final hearing before the Division Bench of Hon'ble Justice Sanjay Yadav and Hon'ble Justice Vivek Agarwal.	The Hon'ble High Court of M. P. (Gwalior Bench)

**Notes forming part of the financial statements**  
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40 (a) Details of Court Cases

S. No.	Type of Case	Year of Commencement	Particulars	Amount involved (Rs.)	Present Status of the case	Reasons of pendency and existence. Effectiveness of a Monitoring Mechanism	Pending Before
1	2	3	4	5	6	7	8
12	Civil Appeal filed during 2017 by BBJ against KoPT, before the Learned District Judge at Alipore. Case No.- PP 6 of 2017. Advocate on record – Sanderson & Morgans. Approximate amount involved – Rs.10.57 lakhs + interest.	2017			Dispute is over arrear of rents amounting to Rs.10.57 lakhs with interest. The matter is stayed by the Court of appropriate jurisdiction. Pending for hearing.		
13	Civil Appeal PP Appeal No. 6 of 2017 (Victoria House matter between – BBJ – Versus – KoPT)	2017	This matter is relating to a claim by KoPT under the provision of Section 7(3) of the Public Premises (Eviction of Unauthorised Occupants) Act 1971, against BBJ regarding payment of damages amounting to Rs.10,57,872/- for unauthorised occupation from 01.04.1988 to 31.03.1989 at 'Victoria Works'. The claim of KoPT was challenged by BBJ before the Estate Officer on different grounds. By an impugned Order dated 08.03.2017 the Learned Estate Officer of KoPT upheld the claims of KoPT. Being aggrieved by the said Order dated 08.03.2017, BBJ filed this Appeal before the Learned District Judge at Alipore.	Rs. 10,57,872/- + interest (Total Claim of KoPT is about 50 Lakhs)	Pending	The matter is fixed for hearing. The Learned 3rd Addl. District Judge by an Order dated 22.06.2017 stayed the impugned payment Order of the Estate Officer of KoPT.	The Learned Court of District Judge at Alipore
14	Arbitration Appeal Arbitration Case No. 21 of 2018 (Chambal 2nd Bridge Contract matter between – N. C. Railway – Versus – BBJ)	2018	<ul style="list-style-type: none"> <li>A zero liability Arbitration Award dated 07.04.2018 was passed in favour of M/s.BBJ. North Central Railways challenged the said Award u/s.34 of the Arbitration &amp; Conciliation Act, 1996 (Arbitration Case No. - 21 of 2018) before the Learned Court of the District Court, Allahabad, U.P.</li> <li>BBJ received the summons on 16.07.2018 and now contesting the said Arbitration Appeal before the Learned Court of the District Court, Allahabad, U.P.</li> </ul>	Zero liability	Pending	The matter is pending for hearing before the Learned Court of the District Judge, Allahabad, U.P.	The Learned Court of the District Judge, Allahabad, U.P.



**Notes forming part of the financial statements**  
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40 (a) Details of Court Cases

S. No.	Type of Case	Year of Commencement	Particulars	Amount involved (Rs.)	Present Status of the case	Reasons of pendency and existence. Effectiveness of a Monitoring Mechanism	Pending Before
1	2	3	4	5	6	7	8
15	Arbitration Appeal Arb. Appeal No.2 of 2019 (Jogighopa Bridge Contract matter between – N. F. Railway – Versus – BBJ)	2019	The matter is related to Jogighopa Bridge constructed at Assam. In compliance with the Award passed by Tribunal in favour of M/s.BBJ, although part payment was made by North Frontiers Railways and the other part remained due awaiting for reconciliation at the behest of NF Railways with not disputes. NF Railways concurrently challenged the Award before the Learned District Court at Gwahati. On 23/07/2014, the Learned District Court, Kamrup, Gwahati dismissed the claims of NF Railway. After delay of 351 days NF Railway filed the present Arbitration Appeal before the Hon'ble Gauhati High Court.	Zero liability	Pending	The matter is pending for hearing before the Hon'ble Gauhati High Court	The Hon'ble Gauhati High Court
16	Arbitration Petition Request Case No. 175 of 2018 (Mughal Sarai Project matter) between – BBJ – Versus – East Central Railway	2018	<ul style="list-style-type: none"> <li>The dispute regarding BBJ's legitimate claim of about Rs.40.77 Crore (+ 18% Interest) against East Central Railway for their illegal termination from contract was first referred before the Hon'ble Patna High Court.</li> <li>The Hon'ble Patna High Court had intervened into the matter and restrained East Central Railway refraining them from encashing the PBG or any other security submitted by BBJ upto the time when East Central Railway constitute the arbitral tribunal. The Arbitral Tribunal which is going to be initiated very soon after appointment of Arbitrator(s) as per GCC.</li> <li>By Notice Dated 11.07.2018, BBJ demanded Arbitration from East Central Railway. But they fail to reply till date.</li> <li>Now BBJ has filed this Application under Section 11(6) of the Arbitration and Reconciliation Act for immediate appointment of an independent person as an Arbitrator to adjudicate the dispute properly &amp; impartially.</li> </ul>	Rs.40,77,31,094.00 + 18% Interest	Pending	The matter is pending for final hearing before the Hon'ble Chief Justice of Patna High Court.	The Hon'ble High Court of Judicature at Patna.
17	Arbitration Proceeding (Ref.: A.P. No. 205 of 2018) (Bimalgarh – Chimpajharan Project) between – BBJ – Versus – S.E.Railway	2019	<ul style="list-style-type: none"> <li>The dispute regarding BBJ's legitimate claim of about Rs.2.68 Crore against S.E.Railway was referred for Arbitration which is going to be initiated very soon after appointment of Arbitrator(s) as per GCC.</li> <li>As the GCC being prior to the Amendment of neutral Arbitrator(s).</li> <li>In spite of receiving number of letters for formation of Arbitral Tribunal, S.E.Railway have deliberately failed and neglected to take necessary steps for appointment of its nominee arbitrator.</li> <li>In Arbitration Petition (AP) No. 205 of 2018, By an Order dated 06.12.2018, Hon'ble Justice Ashis Kumar Chakraborty of Calcutta High Court was pleased to appoint the present Arbitral Tribunal.</li> </ul>	Rs.2,68,00,773/- + interest	Pending	The first sitting was held on 15.03.2019.	The Learned Arbitral Tribunal consisting of – Shri. Tarun Kumar, Presiding Arbitrator, Shri D. K. Mondal, CoArbitrator, Shri Arjun Rakshit CoArbitrator.



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40 (a) Details of Court Cases

S. No.	Type of Case	Year of Commencement	Particulars	Amount involved (Rs.)	Present Status of the case	Reasons of pendency and existence. Effectiveness of a Monitoring Mechanism	Pending Before
1	2	3	4	5	6	7	8
18	Arbitration Petition A.P.No. 69 of 2019 (Manoharpur – Bondanda Arbitration matter between – BBJ – Versus – S.E.Railway)	2019	<ul style="list-style-type: none"> <li>The dispute regarding BBJ's legitimate claim of about Rs.13.99 Crore against RVNL was referred for Arbitration which was disposed of by a final Arbitration Award dated 11.10.2018 passed by the Arbitral Tribunal wherein the Arbitral Tribunal had only allowed BBJ's claim of 'refund of delay damages' and 'refund of bank guarantee charges' along with interest @ 12% from the date of deduction till date of payment (which is totaling about Rs.2.21 Crore). No other claims of BBJ were allowed.</li> <li>Hence the Company has decided to file an appeal against the said final Award dated 11.10.2018 before the Hon'ble Delhi High Court.</li> </ul>	Rs.13,99,45,943/-	Pending	The matter is pending before the Hon'ble High Court at Delhi.	The Hon'ble High Court at Delhi.
19	Arbitration Appeal (Diary No. 122993 of 2019) (Kathjodi River Bridge Arbitration appeal matter between – BBJ – Versus – RVNL)	2019	<ul style="list-style-type: none"> <li>The dispute regarding BBJ's legitimate claim of about Rs.13.99 Crore against RVNL was referred for Arbitration which was disposed of by a final Arbitration Award dated 11.10.2018 passed by the Arbitral Tribunal wherein the Arbitral Tribunal had only allowed BBJ's claim of 'refund of delay damages' and 'refund of bank guarantee charges' along with interest @ 12% from the date of deduction till date of payment (which is totaling about Rs.2.21 Crore). No other claims of BBJ were allowed.</li> <li>Hence the Company has decided to file an appeal against the said final Award dated 11.10.2018 before the Hon'ble Delhi High Court.</li> </ul>	Rs.13,99,45,943/-	Pending	The matter is pending before the Hon'ble High Court at Delhi.	The Hon'ble High Court at Delhi.
20	Arbitration Petition (Ref. : A.P. No. 188 of 2019) Arising out of A.P.No.330 of 2018) (Sealdah, Howrah, Asansol and Malda Division Project) between – BBJ – Versus – Eastern Railway & other	2019	<ul style="list-style-type: none"> <li>Arbitration proceeding against Eastern Railway is pending since 2012.</li> <li>In spite of passage of seven years from the constitution of Arbitral Tribunal is over, only one arbitral sitting has so far been held on 31.07.2014 and no further development has taken place in the arbitration proceeding.</li> <li>That there is a huge admitted claim of BBJ about Rs.1.20 Crore against E.Railway and also other claims which are required to be adjudicated in Arbitration.</li> <li>In spite of receiving a number of letters from BBJ, the GM, E.Railway and the Arbitral Tribunal have deliberately failed and neglected to take necessary steps for adjudicating the Arbitral dispute raised by BBJ and pass necessary award therein.</li> <li>Hence, A.P.No.330 of 2018 was filed before the Hon'ble High Court at Calcutta to appoint an Arbitral Tribunal to enter into reference and adjudicate the long pending dispute arising in between BBJ and E.Railway.</li> <li>On 28.06.2018 the Hon'ble High Court at Calcutta allowing the prayers of BBJ directed the Arbitral Tribunal to conclude the Arbitral proceeding within February, 2019. But unfortunately the Arbitral Tribunal neglected the said Order and failed to conclude the Arbitration proceeding within February, 2019.</li> <li>Finding no other way, the Company filed the present Arbitration Petition against Eastern Railway &amp; their G.M. for disobeying the said Order dated 28.06.2018.</li> </ul>	Rs.4,92,55,482/- + interest	Pending	The matter is listed for hearing before the Hon'ble High Court at Calcutta (Original Side).	The Hon'ble High Court at Calcutta (Original Side).

**Notes forming part of the financial statements**  
(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

40 (a) Details of Court Cases

S. No.	Type of Case	Year of Commencement	Particulars	Amount involved (Rs.)	Present Status of the case	Reasons of pendency and effectiveness of a Monitoring Mechanism	Pending Before
1	2	3	4	5	6	7	8
21	Service Matter Case No. VIII/241/2001 between BBJ – Vs. – Tarun Ghosal	2001	<ul style="list-style-type: none"> <li>One Shri Tarun Ghosal was appointed as temporary employee in the post of "Gantry Operator" from 08.07.1996. By a notice dated 06.05.2000 of BBJ, the service of Shri Tarun Ghosal was terminated. Against the said termination the present case was filed by Shri Tarun Ghosal under Industrial Disputes Act. By an Order dated 28.01.2009 the First Industrial Tribunal, W.B. had granted an interim relief in favour of Shri Tarun Ghosal. The matter is still pending for Arguments. BBJ is contesting the matter by filing Written Statement, adducing witnesses and by filing investigation report of Private Detective Agency.</li> </ul>	Service matter	Pending	The matter is fixed for Argument.	The Learned First Industrial Tribunal, West Bengal
22	Service Matter W.P. No. 18933(W) of 2018 between BBJ – Vs. – State of West Bengal & Others.	2018	<ul style="list-style-type: none"> <li>The instant Writ Petition is being filed before the Hon'ble High Court at Calcutta challenging the Order No.230 dated 20.04.2018 passed by the Learned First Industrial Tribunal, West Bengal in Tarun Ghosal's matter (Case No. VIII/241/2001).</li> <li>In the said Order dated 20.04.2018, the Learned Tribunal had dismissed the application of BBJ to 're-cross examine' Shri Tarun Ghosal on specific questions whether he is gainfully employed even after the completion of evidence as the same will be determinative of as to whether he is entitled to receive any interim relief.</li> <li>In support of BBJ's claim about Shri Tarun Ghosal's gainful employment from 2000 to 2017, BBJ has submitted the secret investigation reports of Private Detective Agency before the Learn Tribunal.</li> <li>Being aggrieved by the Order dated 20.04.2018 of the Learned Tribunal, BBJ has filed the instant Writ Petition before the Hon'ble Calcutta High Court seeking for proper justice.</li> </ul>	Service matter	Pending	The matter is pending for hearing by the Hon'ble High Court at Calcutta.	The Hon'ble High Court at Calcutta (Appellate Side).

**Notes forming part of the financial statements**  
**(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)**

40 (b) There are also following matter where the company and Union of India are proforma respondent and as per directions of Department of Heavy Industries, the company attended the cases and filed affidavits etc.

S. No.	Type of Case	Year of Commencement	Particulars	Amount involved (Rs.)	Present Status of the case	Reasons of pendency and existence. Effectiveness of a Monitoring Mechanism	Pending Before
1	Civil matter at Supreme Court of India SLP (Civil) No.33210of2013	2013	Burn Standard Co. Ltd. -vs- M/s. Samadariya Builders & Ors.UOI and BBUNL are Respondent No:2and3	5 Yet to finalise	6 "BSCCL is having 8.8646 acres of freehold land at Jabalpur (MP). On approval of the Hon'ble BIFR Bench as well as Govt. of India, BSCCL made an effort to sell the land through MSTC in the year 2002 when BSCCL was subsidiary of BBUNL. M/s. Samadariya Builders was highest bidder. During the process Railways intended to take the land and therefore, cancelled EMD etc. However, due to delay in process, Railways also conveyed to BBUNL that they were not interest to take the land. Subsequently in May, 2005 BSCCL issued fresh NIT for sale of said land. M/s. Samadariya filed a writ Petition in the High Court at Jabalpur challenging the Notice. On 26.06.2013 Hon'ble High Court of Madhya Pradesh at Jabalpur disposed of said writ Petition with a direction that if an offer of double the amount which was earlier offered by M/s Samadariya Builders, BSCCL shall finalise the matter and execute necessary deed etc after receiving the consideration.  BSCCL being aggrieved against the said order dated 26.6.2013 filed SLP (Civil) No. 33210 of 2013 with prayer for interim relief before the Supreme Court of India. In the instant appeal UOI (service through Secretary, GOI, Ministry of HI & PEs, DHI) and BBUNL are respondents No. 2 & 3.	7 As advised by DHI, erstwhile BBUNL filed Affidavit as per direction of the Hon'ble Supreme Court. When last the matter was taken up three other matters bearing SLP No. 21827 to 21830/2014 of Burn Standard Co. Ltd has also been tagged with the subject SLP No: 33210/2013 and respondents have taken time for filing the Courier Affidavit and rejoinder for the tag matters.  The matter further came up for hearing on 02.05.2018 and as prayed by the Ld. Counsel of Petitioner the matter further adjourned for four week time for filing additional documents. The matter came up for hearing on 31.07.2018 and the Hon'ble Court has pleased to grant Leave as prayed for. and pending appeals, interim order to continue. The matter is yet to take up and pending till 31.03.2019.  DHI advised the Company to keep in record the status of the case till the name of Ministry of Railways is impleaded in the case or order is passed by the Court for deleting the name of DHI from the list of respondent.	8 The Supreme Court of India, New Delhi.

## **Notes forming part of the financial statements**

**(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)**

- 41 During the year 2005-06, Jessop & Co. Ltd applied to Board for Industrial and Financial Reconstruction (BIFR) for de-rating (reducing) the nominal value of its equity shares from Rs. 10 to Re. 1. BIFR vide directions issued on 31.08.2005 permitted Jessop & Co. Ltd. to proceed with reduction of their equity share capital in terms of the provisions under Sections 100, 101, 102 & 103 of the Companies Act, 1956.

The Company preferred an appeal under Section 25 of the Sick Industrial Companies (Special Provisions) Act, 1985 before the Appellate Authority for Industrial and Financial Reconstruction (AAIFR) against the aforesaid direction of BIFR. The Company also filed applications impleading itself in two other appeals preferred before AAIFR against the aforesaid direction of BIFR. While one of the appeals was earlier withdrawn, AAIFR vide Order dated 28.02.2008 dismissed the appeal preferred by the Company as well as the other appeal.

The Company has filed a writ petition in the Hon'ble High Court at Calcutta challenging AAIFR's Order, which is pending disposal as on date. The Company has also referred the disputes to arbitration as provided in the "Shareholders Agreement" entered into by it with Indo-Wagon Engineering Ltd. (strategic partner in Jessop) on 29.08.2003. The resultant accounting effect will be considered in the books of account after final adjudication complying with the Accounting Standards and Government directives.

- 42 Consequent to clearance of GOI vide letter No. 17(12)/2000-PE.III dated 26.08.2003 and in terms of the "Share Purchase Agreement" executed by and amongst the Company, Jessop & Co. Ltd. (Jessop) and Indo-Wagon Engineering Ltd., the Company sold/transferred 6,81,34,428 equity shares of Jessop (i.e. 72%) for a consideration of Rs. 1818.00 lakhs to Indo-Wagon Engineering Ltd. on 29.08.2003. The entire sale proceeds of Rs. 1818.00 lakhs as realised had been transferred to Government of India pending compliances under the prevailing laws.

- 43 Trade Receivable – non-current assets of Rs.38.98 lakh (Previous year - Rs.38.98 lakh) represents amount due from Bharat Heavy Electrical Ltd (BHEL) for Lakwa Project – work, which was closed in 2009-10 before completion and Other current financial assets includes Retention Deposit Rs. 42.29 Lakh (Previous year - 42.29 Lakh) and Security Deposit Rs.37.49 Lakh (Previous year - 37.49 Lakh) relating to above work. Since a corresponding aggregate amount of Rs.126.46 lakh (Previous year - 126.46 Lakh) is lying in the books as payable to BHEL, the Company has not considered any allowance for doubtful debts on the security deposit and retention money receivable from BHEL.

- 44 During financial year 2008-09, the Company had entered into a consortium arrangement under the name and style of "BCD INGAB Consortium" for construction of Neighbourhood Unit at Bikele township in the Republic of Gabon. The value of services to be rendered by the Company (as per agreement with the consortium partner) was aggregated and limited to Rs. 2.75 crores, excluding actual expenses incurred on various heads such as on bank guarantee charges, travelling, establishment expenses, etc. As part of its defined roles & responsibilities, the Company has provided a performance bank guarantee of US\$ 725,000 (5% of project order value) in favour of Government of Gabon against Mobilisation Advance of an equivalent amount released to the Consortium. The Company has received margin money for such guarantee (validity period since expired) from the Consortium.

The progress in execution of the project not being satisfactory, the Company decided to seek an honourable exit therefrom, which is being pursued.

However, in terms of extant agreement, the Company is not liable to compensate the Consortium partner in the event of any loss and/or deficit arising out of the project. No claim has been received by the Company from any quarter so far nor has any dispute been raised requiring arbitration."

- 45 The physical verification of Inventories of Raw materials, stores etc. have been carried out at the end of the year. The discrepancies between physical and book stock, not being significant, have been properly dealt with in the Books of Accounts.
- 46 Non-current investment includes 5% Non-Redeemable registered Debenture Stock in East India Clinic Ltd of Rs. 0.16 lakhs (Previous year - Rs. 0.16 lakhs) from which company is not generating any income.

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

- 47 In the financial year 2005-06, an amount of Rs. 82.72 lakhs was refunded to Jessop & Co. Ltd. on account of 'Service Charges' recovered in respect of the period October 2001 to August 2003. The Company has filed a suit for recovery of the amount together with interest and cost, which is pending disposal as on date.
- 48 The company has not accounted for the accrued interest on loans of Rs. 6,588.99 lakhs granted to Bharat Process and Mechanical Engineers Ltd. ('BPMEL') a subsidiary and Weighbird India Ltd. ('WIL') a second layer subsidiary ('subsidiaries') of the company in view of non-recoverability thereof as the aforesaid subsidiaries of the company are under liquidation and on loans of Rs.207.25 lakhs to Bharat Wagon and Engineering Company Limited ('BWEL') the erstwhile subsidiary of the company.
- Further, the company has not provided for the interest payable on the loans of Rs.6589 lakhs taken from the Government of India, which was used for granting the loans to the aforesaid companies of the Company. Had the interest payable on such loans been provided for the finance cost for the current financial year would have been higher by Rs. (2158.30 lakhs) (Previous Year Rs.2025 lakhs) and the amounts payable to the Government of India would have been higher by Rs.48130.12 lakhs. Accordingly, the profit for the current financial year would have been lower by Rs.2158.30 lakhs, (Previous year Rs. 2025 lakhs).
- 49 There is an uncontested Income-tax demand of Rs.27.30 lakhs as per the official portal of the Income-tax Department for which the company does not have appropriate documents or evidences for rebuttal. However, the company is of the opinion that no amounts are outstanding to be paid, which have not been contested and the amounts as displayed in the Income-tax portal may be erroneous. The Company will take effort in getting the same rectified. Accordingly, no liability has been provided for.
- 50 Balances of some of the trade receivables, trade payables, lenders, loans and advances etc. incorporated in the books as per balances appearing in the relevant subsidiary records, are subject to confirmation from the respective parties and consequential adjustments arising from reconciliation, if any. The management however is of the view that there will be no material discrepancies in this regard. Moreover the company is in the process of receiving confirmations from debtors and creditors. The confirmations so far received have been reconciled. In view of all confirmations not having been received, the balances are subject to reconciliation or adjustments, if any.
- 51 The company has not received confirmations from respective banks in respect of the Bank Balances of following sites, which are extremely old and the name of the relevant details are not available. Such balances are subject to confirmation from respective Banks. The details of such balances are as follows:

	Name of Sites	Bank Balance (Rs.in lakhs)
1.	Bonam Site	0.09
2.	Baitarani Site	0.10
3.	Farraka Site	0.03
4.	Kahalgoan Site	0.01
5.	Kanhan Site	0.14
6.	Rihand Site.	0.02
7.	Ullash Site	0.07
8.	Bonda Munda Site	0.31
	<b>Total</b>	<b>0.78</b>

- i) The above Sites include the amount of Rs. 0.47 lakh representing balances of closed sites (previous year Rs. 0.47 lakh)
- ii) Cash balance include Rs. 0.01 lakh (previous year Rs. 0.01 lakh) representing balance with closed site, pertaining to earlier years, for which no confirmation is available.
- iii) The company is maintaining a bank account with State Bank of India having debit balance of Rs 9330.12 (Previous Year 9330.12), which is very old and against which no detail and confirmation is available with the company. In absence thereof, the balance has been taken as of last year.

## Notes forming part of the financial statements

(All amounts in Indian Rupees Lakhs, except share data and where otherwise stated)

### 52 Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate certain fair values:

- i) Fair value of cash and deposits, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

#### Fair Value hierarchy

The following tables provide the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

- i) Quoted prices in active markets for identical assets or liabilities (level 1). It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date.
- ii) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) and are determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable, then the instrument is included in level 2.
- iii) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

#### (a) Financial Assets and Liabilities

Particulars	As at 31st March, 2019			As at 31st March, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Investment in equity instruments	-	3,086.81	-	-	3,086.81	-
Investments in debentures or bonds	-	67.80	-	-	64.37	-
<b>Total Financial Assets</b>	-	<b>3,154.61</b>	-	-	<b>3,151.18</b>	-
<b>Financial Liabilities</b>						
Loan converted to Zero Rate	-	313.07	-	-	326.80	-
Debenture pending allotment						
<b>Total Financial Liabilities</b>	-	<b>313.07</b>	-	-	<b>326.80</b>	-

During the year ended 31st March, 2019 and 31st March, 2018, there were no transfers between Level 1 and Level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements. There is no transaction / balance under Level 3.

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For ARSK & Associates

Chartered Accountants  
Firm's Registration Number: 0315082E

**S.K. Maheshwari**  
Partner  
Membership No.: 054049

**Place: Kolkata**  
**Date: 30.08.2019**

for and on behalf of the Board of Directors of  
**The Braithwaite Burn and Jessop Construction Company Limited**

CIN: U70100WB1986GOI041286

**Sundar Banerjee**  
Chairman &  
Managing Director

**G. C. Jash**  
General Manager (Finance)  
& Chief Financial Officer

**R. K. Mitra**  
Director (Finance)

**Navin K. Mishra**  
Company Secretary