



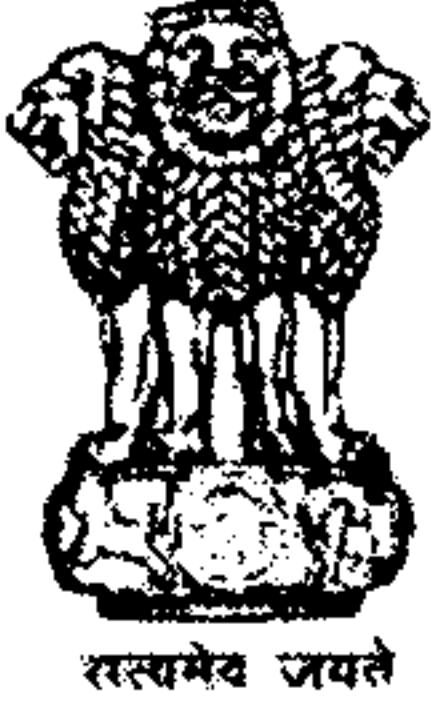
**MEMORANDUM  
OF  
UNDERSTANDING  
2011-2012**

**BETWEEN**

**DEPARTMENT OF HEAVY INDUSTRY,  
MINISTRY OF HEAVY INDUSTRIES  
AND PUBLIC ENTERPRISES,  
GOVERNMENT OF INDIA**

**AND**

**BRIDGE AND ROOF CO. (I) LTD.**



## PART - I

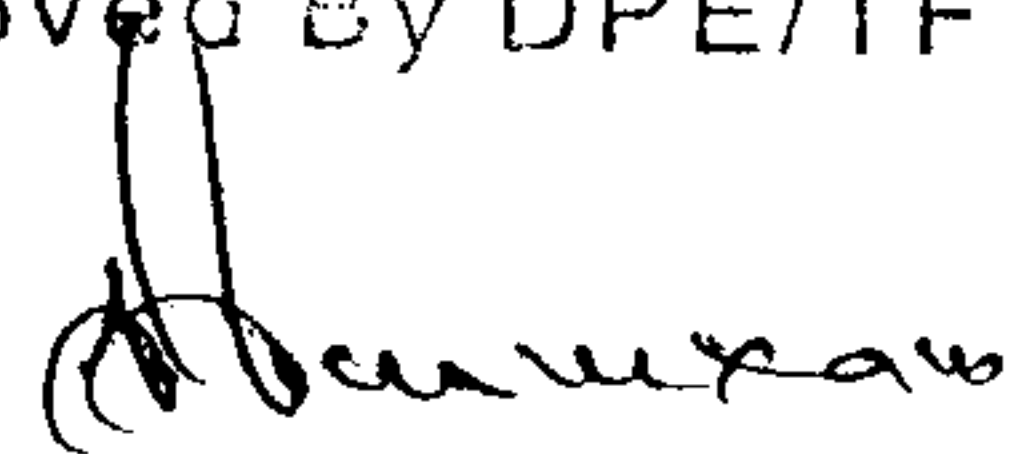
### MISSION / VISION AND OBJECTIVES

#### 1.1 MISSION / VISION

- To become a leader in integrated Project Management in the field of construction and allied services with a high growth trajectory and increase its market share.

#### 1.2 OBJECTIVES

- Turnover to reach at least ₹ 2000 Crores by FY 2014-15.
- Customer satisfaction through quality products and strict adherence to delivery schedule.

MOU 2011-12  
Approved By DPE/TF  
Signed 



**PART - II**

**EXERCISE OF ENHANCED AUTONOMY AND**  
**DELEGATION OF FINANCIAL POWERS**

Normal delegation of power approved in respect of MoU signing companies shall be followed.

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Signed



## PART - III

## PERFORMANCE EVALUATION PARAMETERS AND TARGETS

Sl. No.	Performance Parameters	Weightage	Unit	2010-2011 (BE)	2010-2011 (Projected as on 31.03.2011)	2011-2012 (BE)	Criterion Value				
							1 (Excellent)	2 (V. Good)	3 (Good)	4 (Fair)	5 (Poor)
<b>1) Static / Financial Parameters</b>											
<b>(a) Financial Performance Indicators - Profit Related</b>											
i)	Gross Margin(PBIDT)/Gross Block	2	%	40.78	38.05	48.34	54.31	50.76	48.34	45.92	43.63
ii)	Net Profit(PAT)/Net Worth	10	%	17.97	16.02	25.30	28.42	26.57	25.30	24.04	22.83
iii)	Gross Profit(PBIT)/Capital Employed	10	%	26.86	24.87	32.56	36.58	34.19	32.56	30.93	29.39
<b>(b) Financial Indicators - Size Related</b>											
i)	Gross Margin (PBIDT)	8	₹/Crore	85.00	77.00	108.00	124.00	116.00	108.00	102.60	97.47
ii)	Gross Sales	4	₹/Crore	1240.00	1250.00	1400.00	1600.00	1500.00	1400.00	1330.00	1263.50
<b>(c) Financial Returns - Productivity Related</b>											
i)	PBIDT/Total Employment	7	₹/Lakhs	4.86	4.40	5.68	6.38	5.96	5.68	5.40	5.13
ii)	Added Value/Gross Sales	9	%	4.86	4.26	5.78	6.49	6.07	5.78	5.49	5.22
<b>Sub-Total 1 (a+b+c)</b>		<b>50</b>									
<b>2) Dynamic Parameters</b>											
<b>d) Quality</b>											
i)	Customer Satisfaction (as % of Clients)	4	%	-	-	80	90	85	80	76	72
<b>e) Project Implementation</b>											
i)	Timely completion of Projects(Physical Completion) (List enclosed as Enclosure-A)	5	Nos.	-	-	3	5	4	3	2	1
ii)	LDs imposed during the year as % of turnover	4	%	0.50	0.50	0.50	0.42	0.48	0.50	0.53	0.55
<b>f) Human Resource Management</b>											
i)	No. of employees given training										
-	Training for Officers	2	Nos.	77	90	85	95	89	85	81	77
-	Training for Staff & Sub-staff	1	Nos.	20	22	22	25	23	22	21	20
-	Training for Workmen	1	Nos.	35	40	39	44	44	37	35	35
ii)	Maintaining the present Level of Minorities in employment	1	Nos.	-	79	79	79				

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## PART - III

## PERFORMANCE EVALUATION PARAMETERS AND TARGETS

Sl. No.	Performance Parameters	Weightage	Unit	2010-2011 (BE)	2010-2011 (Projected as on 31.03.2011)	2011-2012 (BE)	Criterion Value							
							1 (Excellent)	2 (V. Good)	3 (Good)	4 (Fair)	5 (Poor)			
g)	Sustainable Development													
i)	Reduction of cost of Energy at Howrah Workshop	2	%	0.38	0.38	0.30	0.34	0.32	0.30	0.29	0.27			
ii)	Implementation of Energy Efficiency Plan at Howrah Workshop & Office	3	Date	-	-	Jan-12	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12			
h)	Research & Development (R&D)													
i)	Inventory Management through ERP System	3	Date	-	-	Feb-12	Dec-11	Jan-12	Feb-12	Mar-12	Mar-12			
ii)	Development of Long Term R&D Plan	2	Date	-	-	Feb-12	Dec-11	Jan-12	Feb-12	Mar-12	Mar-12			
i)	Conduct of Health / Safety / Environment Audit at Project Sites (% of total project sites)	4	%	-	-	50	60	55	50	53	55			
j)	Order Booking	4	₹/Crore	1300	1300	1700	2000	1800	1700	1600	1500			
k)	Sundry Debtors (% on Sales)	2	%	0.82	0.80	0.80	0.71	0.76	0.80	0.84	0.88			
l)	Corporate Social Responsibility (CSR)													
i)	Expenditure on CSR	3	₹/Lakhs	-	4.00	30.00	40.00	35.00	30.00	28.50	27.08			
ii)	Preparation of Long Term Plan for CSR	2	Date	-	-	Feb-12	Dec-11	Jan-12	Feb-12	Mar-12	Mar-12			
m)	Submission of signed MoU to DPE	1	Date	-	-	15-Mar-11	15-Mar-11	15-Mar-11	15-Mar-11	22-Mar-11	31-Mar-11			
n)	Submission to DPE of completed data-sheet for Public Enterprise Survey	1	Date	-	-	15-Oct-11	15-Sep-11	01-Oct-11	15-Oct-11	31-Oct-11	31-Oct-2011			
o)	Compliance of Corporate Governance													
i)	Preparation of Risk Mitigation Strategy Plan	3	Date	-	-	Feb-12	Dec-11	Jan-12	Feb-12	Mar-12	Mar-12			
ii)	Rating of Parameters of Corp. Gov. by External Agency	2	Date	-	-	Nov-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12			
	Sub-Total 2 (d to o)	50												
	Total	100												

MOU 2011-12  
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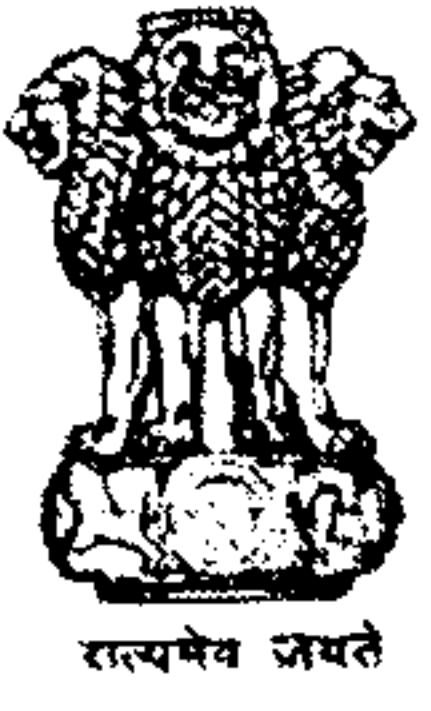
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## PART - IV

### ASSISTANCE REQUIRED FROM GOVERNMENT

- Tie-up with M/s. BHEL for Pre/Post Tender Tie-up / MoU / Any other basis in order to fulfill high growth trajectory and increase in market share in line with the Mission / Vision of the Company.
- Submission of Indemnity Bond in place of Bank Guarantee in case of PSUs and Government Departments against Earnest Money Deposit and Performance Guarantee.
- Filling up two posts of Independent Directors on the Board of the company to fulfill Miniratna criteria.



PART - V

ACTION PLAN FOR IMPLEMENTATION AND MONITORING OF THE MOU

- B&R will submit the quarterly progress reports to the Board and Administrative Ministry for review.
- Secretary, Ministry of Heavy Industries and Public Enterprises will review B&R's performance against MoU Targets once in six months.
- Board of Directors of B&R will ensure monitoring of performance against targets in every meeting.
- Annual evaluation will be done by Department of Public Enterprises.

( MUKESH JHA )  
CHAIRMAN CUM MANAGING DIRECTOR  
BRIDGE & ROOF CO. (INDIA) LTD.  
KOLKATA

(B.S. MEENA)  
SECRETARY  
DEPARTMENT OF HEAVY INDUSTRY  
MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES  
GOVERNMENT OF INDIA  
NEW DELHI



# TREND OF FINANCIAL PARAMETERS FOR LAST 5 YEARS



Annexure-IX

(₹/Crore)

Particulars	2006-07		2007-08		2008-09		2009-10		2010-11		2011-12	
	MoU	Actual	MoU	Actual	MoU	Actual	MoU	Actual	MoU	Actual upto Sep'10	Projected as on 31.03.2011	Projected
Production / Work Done	605.00	610.44	700.00	710.63	840.00	935.10	1000.00	1162.01	1240.00	636.40	1250.00	1400.00
Gross Sales	605.00	611.90	700.00	712.74	840.00	936.03	1000.00	1163.28	1240.00	636.40	1250.00	1400.00
Gross Margin	33.00	28.55	41.73	44.68	49.35	70.85	58.50	88.03	85.00	42.87	77.00	108.00
Profit Before Tax	6.50	7.17	10.00	11.27	14.35	33.26	18.50	64.11	39.00	25.07	45.00	72.00
Gross Block	139.67	138.44	158.44	162.06	183.44	172.32	198.44	181.37	208.44	194.37	202.37	223.44
Less : Depreciation	102.02	95.18	109.68	108.86	127.68	123.16	145.18	136.77	163.68	144.32	154.77	183.68
Net Block	37.65	43.26	48.76	53.20	55.76	49.16	53.26	44.60	44.76	50.05	47.60	39.76
Share Capital of CPSE	54.99	54.99	54.99	54.99	54.99	54.99	54.99	54.99	54.99	54.99	54.99	54.99
Reserves & Surplus of CPSE	36.23	36.39	42.88	42.09	52.23	63.13	63.54	103.85	88.25	120.59	132.62	135.05
Less Deferred Revenue Exp / Pre-acquisition loss	-	-	-	-	-	-	-	-	-	-	-	-
Less Profit & Loss A/c	-	-	-	-	-	-	-	-	-	-	-	-
Net Worth of CPSE	90.37	91.03	97.52	97.03	106.87	118.12	118.18	158.84	143.24	175.58	187.61	190.04
Investment	81.99	81.99	75.99	75.99	69.99	69.99	63.99	63.99	57.99	54.99	54.99	54.99
Sundry Debtors / Sales (%)	1.90	1.76	1.85	1.64	1.66	0.72	2.00	0.63	0.82	0.57	0.80	0.80
Inventory *	36.25	33.68	48.00	45.93	47.88	66.90	62.00	39.02	73.16	38.98	60.00	70.00
Total Current Assets	450.90	516.92	557.85	644.16	610.23	723.21	645.00	876.62	689.88	836.54	940.00	1021.25
Total Current Liabilities & Provision	307.32	409.40	412.75	519.66	440.00	581.45	460.50	707.78	487.04	686.10	750.32	790.72
Net Current Assets	143.58	107.52	145.10	124.50	170.23	141.76	184.50	168.84	202.84	150.44	189.68	230.53
Capital Employed ( Net Block + Net Current Assets)	181.23	150.78	193.86	177.70	225.99	190.92	237.76	213.44	247.60	200.49	237.28	270.29
Total Debt (loan funds)	90.01	61.98	95.99	85.21	118.77	82.17	119.23	62.79	104.36	33.10	57.86	80.25
Total Assets ** (incl. Deferred Tax Assets)	488.55	562.76	606.61	701.95	665.99	781.74	698.26	929.41	734.64	894.78	995.79	1061.01
Deferred Tax Assets **	-	2.58	-	4.59	-	9.37	-	8.19	-	8.19	8.19	-
No of employess of CPSE	1450	1449	1450	1439	1600	1483	1700	1531	1750	1516	1750	1900

\*As per Accounting Policy of our Company, CIP is not a part of Inventory



**TREND OF FINANCIAL PARAMETERS FOR LAST 5 YEARS**



Annexure-IX

(₹/Crore)

Particulars	2006-07		2007-08		2008-09		2009-10		2010-11		2011-12	
	MoU	Actual	MoU	Actual	MoU	Actual	MoU	Actual	MoU	Actual upto Sep'10	Projected as on 31.03.2011	Projected
Dividend Paid	0.10	0.10	0.10	0.40	0.10	0.55	0.77	1.10	0.88	-	1.10	1.10
Added Value ( gross margin less capital recovery factor 4% of capital employed for social sector and 10% for other CPSE)	14.88	13.47	22.34	26.91	26.76	51.76	34.72	66.69	60.24	22.82	53.27	80.97
<b>Ratio</b>												
Debt / Equity	0.99	0.68	0.98	0.88	1.11	0.70	1.01	0.40	0.73	0.19	0.31	0.42
Return on Net worth (%) (PBT / Net Worth)	7.19	7.88	10.25	11.61	13.43	28.16	15.65	40.36	27.23	14.28	23.99	37.89
PBDIT / Total Employment of CPSE (Rs/Lakh)	2.28	1.97	2.88	3.10	3.08	4.78	3.44	5.75	4.86	2.83	4.40	5.68
Gross Profit / Capital Employed (%)	11.04	12.98	14.05	16.60	13.87	29.14	17.24	34.86	26.86	17.62	24.87	32.56
Net Profit / Net Worth (%)	4.78	4.91	6.78	6.37	8.86	18.35	10.33	26.44	17.97	9.53	16.02	25.30
<b>Working of Gross Margin</b>												
Net Profit	4.32	4.47	6.61	6.18	9.47	21.68	12.21	42.00	25.74	16.74	30.05	48.08
Tax	2.18	2.70	3.39	5.09	4.88	11.58	6.29	22.11	13.26	8.33	14.95	23.92
Net Profit Before Tax	6.50	7.17	10.00	11.27	14.35	33.26	18.50	64.11	39.00	25.07	45.00	72.00
Add Prior Period	-	-	-	-	-	-	-	-	-	-	-	-
Add extraordinary items	-	-	-	-	-	-	-	-	-	-	-	-
Profit before prior period	6.50	7.17	10.00	11.27	14.35	33.26	18.50	64.11	39.00	25.07	45.00	72.00
Add Interest	13.50	12.40	17.23	18.22	17.00	22.38	22.50	10.30	27.50	10.25	14.00	16.00
Gross Profit	20.00	19.57	27.23	29.49	31.35	55.64	41.00	74.41	66.50	35.32	59.00	88.00
Add Depreciation	13.00	8.98	14.50	15.19	18.00	15.21	17.50	13.62	18.50	7.55	18.00	20.00
Misc. expenditure written off	-	-	-	-	-	-	-	-	-	-	-	-
Gross Margin before Interest, depreciation & misc. expenditure written off	33.00	28.55	41.73	44.68	49.35	70.85	58.50	88.03	85.00	42.87	77.00	108.00



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## ANNEXURE-X

### Self declaration / certification

It is hereby certified that the targets and actual achievements in respect of financial parameters have been worked out as per MoU Guidelines by adopting the norms and definitions laid down in MoU Guidelines for the year 2011-12. In case, any deviation is found at the time of appraisal of performance, DPE is free to evaluate as per audited accounts as per MoU Guidelines. CPSE has no right of claim in this regard.

  
( MUKESH JHA )  
CHAIRMAN CUM MANAGING DIRECTOR  
BRIDGE & ROOF CO. (INDIA) LTD.  
KOLKATA

**TEMPLATE FOR CSR REVIEW**

(Top 5 and other projects)



Sl. No.	Name of the Project	Starting date	Completion date	Amount allotted (Proposed) (₹ / Lakhs)	Date of completion & Name of Agency for need assessment / Baseline services	Name of implementing agency and date of appointment	Amount spent on documentation and dissemination	Name of monitoring agency	Brief details of evaluation report
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	B & R Vishwakarma Scheme of Skill Development	1st April 2011	31st March 2012	21.74	1st April 2011 Ramkrishna Mission Shilpayatan / Shilpamandir (RKMS)	Ramkrishna Mission Shilpayatan / Shilpamandir (RKMS) & date of appointment 1st April 2011	.	Board of Directors of the Company in its meeting held on 8th Oct 2010 has approved the proposal of identifying RKMS & DBSERI who has net work all over India & selecting them as co partner for CSR Project as such progress to be monitored through CII / FICCI with respect to achieved skill levels	**
2	B & R Vishwakarma Scheme of Skill Development	1st April 2011	31st March 2012	8.26	1st April 2011 Don Bosco Self Employment Research Institute (DBSERI)	Don Bosco Self Employment Research Institute & date of appointment 1st April 2011	.		**
3									
4									
5									
6	Others								
	Total			30.00					

**Note:-**

- \* Amount spent on documentation & dissemination has been debited to the Training expences account. & implementing agencies have given notice about the CSR project at their institution.
- \*\* Since the CSR project is in process so evaluation report will be given after its completion.

**TABLE**

Sl. No.	Item
1	PAT for the year 2011-12
2	CSR expenditure as percentage of PAT
3	CSR expenditure as percentage of minimum prescribed
4	Unspent Balance amount of CSR Budget rolled-over to the following year
5	Contribution to CSR HUB as percentage of CSR budget

**ENCLOSURES TO TABLE**

- 1 Against Sl. No. 1 RKMS Proposal dt. 24-11-2010 and MoU dated 27-11-2010 between B&R and RKMS
- 2 Against Sl. No. 2 DBSERI Proposal dt. 23-11-2010 and MoU dated 29-11-2010 between B&R and DBSERI

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**JOBS LIKELY TO BE COMPLETED DURING THE YEAR 2011-12**

Sl. No.	Job Description	Location	Client Address	Job Value ('/Lakhs)	Schedule Date of Start	Schedule Date of Compl.	Criterion Value				
							1 (Excellent)	2 (V. Good)	3 (Good)	4 (Fair)	5 (Poor)
1	Development of Hard Stand in between the existing Railway Line and proposed Engine Escape Line upto the Boundary Wall of Dock Control at the Backup Area of Berth No. - 2, Haldia Dock Complex	Haldia	Kolkata Port Trust, The Manager (I&CF), Haldia Dock Complex, Operational Building, 2nd Floor, B-Block, Chiranjiapur, P.O. Haldia, Dist. Purba, Medinipur - 721604	2549.94	8/27/2009	6/26/2011	6/20/2011	6/23/2011	6/26/2011	6/29/2011	7/2/2011
2	Civil Works for Transit Godown (152.25 M X 45 M C/C, 4 Nos.)	Hazira	Adani Hazira Port Pvt. Ltd., Adani House, Near Mithakhali Circle, Navrangpura, Ahmedabad - 380009, Gujarat	1194.80	2/8/2011	10/7/2011	10/1/2011	10/4/2011	10/7/2011	10/10/2011	10/13/2011
3	Civil & Structural Works Works including Barricading Work for NHT / CCR Project	Mahul	Bharat Petroleum Corpn. Ltd., Mahul, Mumbai - 400074	11407.09	8/19/2010	2/18/2012	2/12/2012	2/15/2012	2/18/2012	2/21/2012	2/24/2012
4	Civil & Structural Works for Hydrogen Generation Project at CPCIL, Manali	Chennai	Toyo Engineering India Ltd., Toyo House, Lal Bahadur Shastri Marg, Kanjurmarg (W), Mumbai 400 078	1420.88	8/11/2010	11/10/2011	11/4/2011	11/7/2011	11/10/2011	11/13/2011	11/16/2011
5	New Mechanical Works for Offsites for Phase-III Refinery Project	Mangalore	Mangalore Refinery & Petrochemicals Ltd., Kuthethoor Post via Katipalla, Mangalore - 575030	1995.14	2/11/2011	11/10/2011	11/4/2011	11/7/2011	11/10/2011	11/13/2011	11/16/2011

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Signed

Lee