

THE BRAITHWAITE BURN AND JESSOP CONSTRUCTION CO. LTD

SCHEDULE 23: NOTES ON ACCOUNTS

	<u>Current Year</u> Rs. Lakhs	<u>Previous Year</u> Rs.Lakhs
1.(a) Capital Commitment:- Estimated amount of contracts remaining to be executed.	452.67	67.19
(b) Contingent liability not provided for as under :- Claims not acknowledged as debt:-		
Disputed Sales Tax demand for which appeal is pending considered to be untenable	42.32	42.32
Disputed Income Tax under appeal considered to be untenable	124.10	124.10
Impact of D.A. Merger in salary & wages w.e.f 1.04.2007 to 31.03.2008 for all categories of employees.	25.80	0.00
Impact of pay scale revision in salary w.e.f 1.12.1999 to 31.01.2002 for Executives.	113.27	156.68
Impact of pay scale revision in salary to Unionised Staff & Sub-staff on settlement of Bipartite Agreement dt. 30.10.2000 w.e.f 01.12.1999.	69.84	98.23
(c) Unexpired Bank Guarantees	2120.47	2513.91
2(a) The physical verification of Inventories of Raw materials, stores etc. have been carried out at the end of the year and test verified by Internal Auditor. The discrepancies between physical and book stock, not being significant, have been properly dealt with in the Books of Accounts.		
(b) Inventory of raw materials includes residual value of bearing slab and blooms amounting to Rs.16.86 lakh. (Previous Year Rs.16.86 lakh)		
(c) Inventory of raw materials includes steel for major contracts calculated on theoretical weight. Value of inventories are as valued & certified by management.		
3. Bank balance include the amount of Rs. 0.61 lakh (previous year Rs.0.82lakh) which is subject to Bank's confirmation.		
4(a) Loans and Advances (Schedule 10) include the amount of Rs.0.50 lakh (Previous year Rs.0.50 lakh) as loss of cash by theft for which the FIR with the proper authorities has been lodged on 26-07-2001 and adequate		

THE BRAITHWAITE BURN AND JESSOP CONSTRUCTION CO. LTD

<p>provision has been made in accounts in 2001-2002 for such loss.</p> <p>(b) Administrative charges amounting to Rs.0.36 lakh (Previous year Rs.0.36 lakh) receivable from Bhagirathi Bridge Construction Co.Ltd. will be accounted for on cash basis and as such the unaccounted receivable aggregated to Rs.11.36 lakhs (Previous Year Rs.11.00 lakhs)</p> <p>(c) The realisation/adjustment on the balance lying with sub-contractor/supplier amounting to Rs.186.76 lakhs (previous year Rs.186.55 lakhs) are under continuous follow-up.</p> <p>(d) The realisation/adjustments of Sundry Debtors, majority of whom are Government Parties including Railways, are under continuous follow up.</p> <p>(e) In the absence of the balance confirmations from Debtors, Creditors, Loans, advances & deposit the amount appearing in books have been taken as correct.</p>		
<p>5. The security Deposits of Rs.677.03 lacs previous year Rs.596.81 lacs (Schedule-11) with clients are refundable subject to completion/final settlement of the contracts.</p>		
<p>6.The names of the "Micro, Small and Medium enterprise" (based on the information provided by suppliers) to whom the Company owes sums exceeding Rs.1 lakh outstanding for more than 30 days are Bengal Rivets & Bolts Co & Paragon Paints.</p>		
<p>7(a). Consequent to the Company's financial re-structuring (Govt. of India approval No.12 (4)/04-PE-iii dated 4-7-2005) and on allotment of (a) 13,88,000 equity shares of Rs.100/- each for consideration other than cash on conversion of Govt. of India Loan, interest & penal interest and (b) 16,240 equity shares of Rs.100/-each, the entire amount has been included in fully paid up equity shares . (c) 1,33,360 equity shares of Rs.100/-each, the entire amount has been included in fully paid up equity shares .</p> <p>(b) Pursuant to Govt of India approval no. 8(11)/2005-PE-III dated 02.11.2005 the amount of Rs 100 lakhs received as equity for meeting the plan expenditure for construction of fabrication shop at Heavy plant yard has been included in fully paid up equity shares.</p> <p>(c) Pursuant to Govt of India approval no. 8(18)/2007-PE-III (ii) dated 31.12.2007 the amount of Rs 150 lakhs received as equity for meeting the plan expenditure for implementation of Addition, Modification and Replacement (AMR) of Plant & Machinery, has been included in fully paid up equity shares.</p> <p>(d) Pursuant to Govt of India approval no. 12(9)/2008-PE-III (ii) dated 19.11.2008 the amount of Rs 175 lakhs received as equity for development of infrastructure through procurement of equipments for major bridge fabrication of BBJ has been included in fully paid up equity shares.</p> <p>8(a) 1,00,000 Zero Rate Debenture of Rs.1000 each issued</p>		

THE BRAITHWAITE BURN AND JESSOP CONSTRUCTION CO. LTD

(pending allotment) for the consideration other than cash on Company's financial restructuring by Government of India. 8(b) Zero Rate Debentures include the amount of Rs.214.62 lakhs (Previous year Rs.214.62 lakhs) which are pending for allotment due to non-receipt of term governing the issue and relevant approval for waiver of stamp duty from Govt. of West Bengal through Burn Standard Co.Ltd.		
9. A first charge on Fixed assets and stocks & book debts of the Company are created by way of mortgage & hypothecation in favour of Canara Bank for fund based and non-fund based facility (Bank Guarantee) for a total limit of Rs 5900 lakhs against 20% margin by way of Fixed deposit.		
10. Remuneration paid to the Directors – The remuneration of Managing Director: Salary & Allowances Contribution to P.F etc. Others	<u>Rs Lakhs</u> 8.24 0.80 --	<u>Rs Lakhs</u> 6.72 0.64 --
11. In view of the carried forwarded loss, unabsorbed depreciation etc. the deferred tax adjustments have not been recognised in the Accounts as measure of prudence in keeping with the Accounting Standard (AS-22) issued by the Institute of Chartered Accountants of India.		
12.The company has a single segment i.e. Construction including fabrication.		
13. Related party relationship: (i)Key Management Personnel— Mr. Saibal Baul, Managing Director. (ii) Transaction with related parties:-- Remuneration paid to MD – Refer note no. 10 above.		
14. Contingent assets being unascertainable have not been disclosed in accounts..		
15. The impairment of assets are reviewed at each balance sheet date and it is recognised whenever the carrying amount of an asset exceeds its recoverable amount.		
16. Disclosure as required under AS-15 (REVISED) on "Employees Benefit" in respect of Leave encashment which is an unfunded scheme on the basis of Actuarial Valuation. (i) Component of Employer expenses.		
		Rs. In lacs.
	AS ON 31.03.2009.	
Current Service cost	8.84	
Past service cost	0	
Interest cost	2.96	
Expected Return on Plan Asset	0	
Curtailment cost	0	
Settlement cost	0	

THE BRAITHWAITE BURN AND JESSOP CONSTRUCTION CO. LTD

Actuarial gain/loss recognised in the year	14.41
Expense Recognised in statement of P/L	26.21
(II) Changes in Present Value of obligation.	Rs. In lacs
	AS ON 31.03.2009.
Present Value of obligation at beginning of year	42.75
Acquisition Adjustment	0
Interest cost	2.96
Past service cost	0
Current Service cost	8.84
Curtailment cost	0
Settlement cost	0
Benefit paid	(6.56)
Actuarial gain/loss on obligations	14.41
Present Value of obligation at the end of year	62.40
Closing Fund/ Provisions at the end of year.	62.40
(iii) Actuarial Assumptions:	AS ON 31.03.2009.
Discount Rate	7.50
Inflation Rate.	5.00
Return on Asset	0.00
Remaining Working Life	11
Formula Used.	Projected unit Credit Method
Note: The revised format for disclosure as per Accounting Standard AS-15 is implemented in the current year, hence the previous year figure could not be provided.	

	2008-09	2007-08.
17 (a). Earning per share (basic)	Rs.12.49	Rs.9.54
Earning per share (diluted)	Rs.12.49	Rs.8.77
17(b). Previous year's figures have been re-grouped/ re-arranged wherever necessary.		