



A collage of images showing various industrial equipment and machinery, likely related to the construction or mining industry. The images include large red and yellow cranes, conveyor systems, and heavy machinery, possibly part of a port or a large-scale construction project. The equipment is shown in various settings, including outdoors and in close-up views.

SUPERIOR TECHNOLOGY | PRODUCT QUALITY | DELIVERY CAPABILITY

Vision

TRF will achieve **technological leadership** in Bulk Material Handling Equipment and Services business.

Upgradation of our people skills, engineering processes, manufacturing practices and project management techniques would underpin our ability to achieve the leadership.

We shall strive to be the preferred choice of customers based on **superior technology, product quality and delivery capability** for a sustainable value growth.

Quality Policy

TRF Ltd shall provide engineering products, systems, services and solutions that consistently meet its customers quality requirements in terms of specifications, performance and delivery, and shall continually improve the effectiveness of its quality management system.

Mission

To be an international leader in material handling equipment, processes and systems.

Values

- Trust
- Respect
- Fellowship
- Excellence
- Responsibility

Business Principles

- Sense of urgency
- Continuous improvement
- Consistency and detail

Climate Change Policy for Tata Companies

Tata companies will play a leadership role in climate change by being knowledgeable, responsive and trustworthy, and by adopting environment-friendly technologies, business practices and innovation, while pursuing their own growth aspirations and the enhancement of the shareholder value.

Tata companies will measure their carbon footprint and will strive to:

- Be the benchmark in their segment of industry on the carbon footprint, for their plants and operations.
- Engage actively in climate change advocacy and the shaping of regulations in different business sectors.
- Incorporate 'green' perspective in all key organisational processes.

Safety, Health & Environment Policy

TRF's Safety, Occupational Health and Environmental responsibilities are driven by our commitment to ensure zero harm to people we work with and our belief that safety and environmental concerns are integral to the way we do business.

1. We basically believe that all injuries can be prevented and each one of us is responsible for it.
 - We will identify, assess and manage our Safety, Health & Environment (S.H.E) Hazards, Risk and Impact;
 - We will build WILL & SKILL among our employees and partners for their involvement, responsibility and accountability to achieve sound S.H.E Performance.
2. We are committed to continual improvement in our S.H.E Performance.
3. We will truly succeed, when we achieve our Safety, Health and Environmental Goals and are valued by the Communities in which we work.

BOARD OF DIRECTORS

(As on May 2, 2014)

Mr. Subodh Bhargava - Chairman

Mr. B. D. Bodhanwala

Mr. Ram Prit Singh

Mr. Ranaveer Sinha

Mr. R. V. Raghavan

Mr. Dipankar Chatterji

Mr. Prasad R. Menon

Mr. Sudhir L. Deoras - Managing Director

MANAGEMENT

(As on May 2, 2014)

Mr. Sudhir L. Deoras - Managing Director

Mr. Hemant C. Kharkar - Chief Operating Officer - CS

Mr. P. K. Tibdewal - Chief Operating Officer - BMHB

Mr. Ranjit Sanyal - Chief, Projects

Mr. Ashish Banerjee - Chief, Engineering

Mr. S. Brahma - Chief, Finance & Accounts

Mr. Tarun Kr. Srivastava - Company Secretary

Registered Office

11, Station Road, Burmamines, Jamshedpur - 831 007

Bankers

Axis Bank
Bank of Baroda
Canara Bank
Central Bank of India

DBS Bank
Dena Bank
HDFC Bank
IDBI Bank

Indian Bank
IndusInd Bank

Auditors

M/s Deloitte Haskins & Sells, Kolkata
Chartered Accountants

Cost Auditors

M/s Shome & Banerjee
Cost Accountants

Registrar & Transfer Agents

TSR Darashaw Pvt. Limited
6 - 10, Haji Moosa Patrawala Ind. Estate
Near Famous Studio, 20, Dr. E. Moses Road
Mahalaxmi, Mumbai - 400 011

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51st Annual General Meeting will be held on Saturday, August 2, 2014 at the Auditorium of Shavak Nanavati Technical Institute, 'N' Road, Bistupur, Jamshedpur - 831 001 at 12:00 noon

Members are requested to kindly bring their copies of the Annual Report to the meeting.

Notice

Notice is hereby given that the 51st Annual General Meeting of TRF Limited will be held at the Auditorium of the Shavak Nanavati Technical Institute, 'N' Road, Bistupur, Jamshedpur-831001, on Saturday, August 2, 2014 at 12 noon to transact the following business:

1. To receive, consider and adopt –
 - a) the Standalone Financial Statements of the Company for the year ended March 31, 2014 and the report of the Directors and Auditors thereon; and
 - b) the Consolidated Financial Statements of the Company for the year ended March 31, 2014 and the report of the Auditors thereon.
2. To appoint Auditors to hold office from the conclusion of this meeting till the conclusion of the next annual general meeting and to authorize the Board to fix their remuneration.

Special Business:

3. **To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. Subodh Kr. Bhargava (DIN: 00035672), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company, with effect from August 2, 2014 upto March 29, 2017."

4. **To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. B. D. Bodhanwala (DIN: 00097326), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company, with effect from August 2, 2014 upto August 1, 2019."

5. **To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. Ranaveer Sinha (DIN: 00103398), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company, with effect from August 2, 2014 upto August 1, 2019."

6. **To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. R. V. Raghavan (DIN: 01754139), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company, with effect from August 2, 2014 upto April 3, 2017."

7. To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under read with Schedule IV to the Act, as amended from time to time, Mr. Dipankar Chatterji (DIN: 00031256), a non-executive director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company, with effect from August 2, 2014 upto August 1, 2019.

8. To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Prasad R. Menon (DIN: 00005078), who was appointed in terms of Section 260 of the Companies Act, 1956 by the Board of Directors as an Additional Director of the Company with effect from August 2, 2013 and holds office upto the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

9. To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT in supersession of all earlier resolutions passed by the Company in this regard and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall deem to include any committee thereof) to borrow, at any time or from time to time, any sum or sums of monies which together with monies already borrowed by the Company apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business, exceeding the aggregate of paid-up share capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed Rs 200 crores;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of the Company be and is hereby authorised to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

10. To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT in supersession of all earlier resolutions passed by the Company in this regard and pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall deem to include any committee thereof) to create such charges, mortgages, and hypothecations in addition to the existing charges, mortgages and hypothecation created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of banks/financial institutions, corporates, other entities/persons and trustees for holders of debentures/bonds/other instruments to secure borrowings of the Company availed / to be availed by way of rupee/foreign currency loans/borrowings provided that the total amount of such loans/borrowings shall not exceed at any time Rs. 200 crores;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of the Company be and is hereby authorised to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

11. To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 181 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) , consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board' which shall deem to include any committees thereof) to contribute to bonafide charitable and other funds provided that the aggregate amount of contribution to such funds in a financial year shall not exceed the limits as set out in section 181 or a sum of Rs 15 lakh, whichever is higher.”

12. To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to and in accordance with the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and rules there under, the Cost Auditors, M/s. Shome & Banerjee, having office at 5A, Nurulla Doctor Lane (West Range), 2nd Floor, Kolkata – 700 017, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid a consolidated remuneration of Rs. 2,50,000/- (excluding applicable taxes) and they shall also be entitled to re-imbursement of out of pocket expenses as may be incurred by them, if any, during the course of their assignment;

RESOLVED FURTHER THAT the Directors and the Company Secretary of the Company be and are hereby severally authorized to take all actions and do all such acts, deeds, matters and things as may be necessary or desirable in connection with or incidental to give effect to the above resolution.”

NOTES:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES) TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PER CENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. PROVIDED THAT A MEMBER HOLDING MORE THAN TEN PER CENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED, DULY COMPLETED AND SIGNED, AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS SENT HERewith. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.

- b) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item Nos. 3 to 12 above, are annexed hereto.

- c) The Board of Directors of your Company comprised of 8 directors of which 5 directors viz. Mr Subodh Kr Bhargava, Mr B. D. Bodhanwala, Mr Ranaveer Sinha, Mr R. V. Raghavan, Mr Dipankar Chatterji are Independent Directors who are not liable to retire by rotation in terms of Sections 149 and 152 of the Companies Act, 2013. Mr. Prasad R. Menon, being an Additional Director of the Company is not liable to retire by rotation at this AGM.

Further, Mr. Sudhir L. Deoras, appointed as Managing Director of your Company, is not liable to retire by rotation, as per terms of his appointment. Mr. R. P. Singh, being appointed as a non-executive director and whose term was liable to expire at this AGM, has ceased to be a director of the Company with effect from July 31, 2014. Hence, none of the directors are liable to retire by rotation at this AGM in pursuance with the provisions of the Companies Act, 2013.

- d) The relevant details of Directors seeking appointments/re-appointment under Item Nos. 3 to 8 above, as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges are also annexed.
- e) The Register of Members and Share Transfer books of the Company will remain closed from Thursday, July 17, 2014 to Wednesday, July 23, 2014 (both days inclusive).
- f) Shareholders holding shares in the physical form are requested to notify any change in their address/mandate/bank details / e-mail address to TSR Darashaw Private Limited, the Registrars and Transfer Agents, to facilitate better services. Pursuant to the relevant provisions of Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the unpaid/unclaimed dividend account of the Company is required to be transferred to the Investors Education and Protection Fund (IEPF) set up by the Government of India.
- g) Members, who have not yet encashed their dividend warrant for the financial year ended March 31, 2007 and onwards, are requested to make their claims to the Registrars & Transfer Agents of the Company without any delay. Members, who still have their holdings in physical form are requested to convert them into dematerialized form (under ISIN No. INE391D01019).
- h) Members are requested to register their e-mail addresses with the Company / Depository Participant to enable us to send you the Report and Accounts, Notices etc. in electronic mode, as a measure of support to the Green Initiative in Corporate Governance of the Ministry of Corporate Affairs, Government of India.
- i) SEBI vide its circular ref no. MRD/DoP/ Cir-05/2009 dated 20.05.2009 has clarified that for securities market transactions and off-market/ private transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish a copy of the PAN Card to the Company/RTA for registration of such transfer of shares irrespective of the amount of such transaction.

All intended transferee(s) are, therefore, requested to furnish a self certified copy of their PAN Card along with the relevant transfer deed for registration of transfer of shares. Please note that the shares lodged for transfer without self certified copy of PAN Card of the transferee(s) shall be returned under objection.
- j) Members desirous of any additional information as regards the Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready at the meeting.
- k) Members are requested to bring the admission slips along with their copies of the Annual Report to the meeting.
- l) The Company has provided facility of e-voting to its members as prescribed under the Companies Act, 2013. The instructions for e-voting are annexed to this Notice.
- m) The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
- n) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued thereunder will be available for inspection by the members at the Annual General Meeting.
- o) **Voting through electronic means**
 - I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide members facility to exercise their rights to vote at the 51st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL (for members whose email IDs are registered with the Company/Depository Participant(s):
- i) Open email and open PDF file Viz; "TRF Limited e-Voting.pdf" with your Client ID or Folio No. as password. The PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - iii) Click on Shareholder – Login
 - iv) Put user ID and password as initial password/PIN noted in step(i) above. Click Login.
 - v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
 - vii) Select "EVEN" of TRF Limited.
 - viii) Now you are ready for e-voting as Cast Vote page opens.
 - ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to pramodkumar.pcs@gmail.com or evoting@trf.co.in with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM (for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy):
- i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (e Voting Event Number)	USERID	PASSWORD/PIN
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 - ii) Please follow all steps from Sl.No.A(ii) to Sl.No.A(xii) above, to cast vote.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on 28th July, 2014 (9.00 a.m.) and ends on 29th July, 2014 (6.00 p.m.). During this period shareholders' of the company holding shares either in physical form or in dematerialized form, as on the cut-off date of 27th June, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the company as on the cut-off date of 27th June, 2014.

TRF LIMITED

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- VII. Mr. Pramod Kumar Singh, Practising Company Secretary (Membership No. FCS 5878) of M/s P. K. Singh & Associates has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of atleast two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - IX. The results shall be declared on or after the AGM of the company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.trf.co.in and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the company and communicated to the Stock Exchanges where the company's shares are listed.
- p) All documents referred to in the accompanying Notice and the Explanatory Statement and the Annual Report of financial year 2013-14 will be available on the Company's Corporate website www.trf.co.in for download and also shall be open for inspection at the Registered Office of the Company, on all working days, except Saturdays, between 9.30 a.m. and 4.00 p.m. up to the date of this AGM.

By Order of the Board of Directors

Registered Office:

11, Station Road,
Burma Mines,
Jamshedpur – 831 007.

Tarun Kumar Srivastava
Company Secretary

May 2, 2014

ANNEXURE TO NOTICE

Explanatory Statements pursuant to Section 102 of the Companies Act, 2013

As required under Section 102 of the Companies Act, 2013 (hereinafter referred to as 'the Act') the following Explanatory Statement sets out all material facts relating to the Special Business set out from Item No.3 to Item No.12 of the accompanying Notice dated May 2, 2014.

Item no. 3

Mr. Subodh Kr Bhargava is a Mechanical Engineer from IIT (Roorkee). He has been the Group Chairman and Chief Executive Officer of Eicher Group of Companies. He is a Former President of the Confederation of Indian Industries (CII), President of the Association of Indian Automobile Manufacturers and Vice President of the Tractor Manufacturers Association. He has been associated with various Central and State Government bodies and committees including as a member of the Technology Development Board, Insurance Tariff Advisory Committee and the Economic Development Board of the State of Rajasthan, Himachal Pradesh and Madhya Pradesh. He has been closely associated with various IIMs, IITs and other Management and Technical Institutions as also with a number of NGOs – was Member on the Board of IIT (Roorkee), IIM, Indore, IIM Lucknow, Entrepreneurship Development Institute, Ahmedabad, Foreign Trade Institute, Delhi, State Bank of India, Power Finance Corporation etc. Presently, Member of the Board of Governors of IIM, Kashipur & XLRI Jamshedpur.

He is currently the Chairman of Tata Communications Limited, GlaxoSmithKline Healthcare Limited, and Director on the Boards of several companies including Tata Motors Ltd, Tata Steel Ltd., Larsen & Tubro Ltd, Tata Communications International Pte Ltd., SunBorne Energy LLC. Mr. Bhargava, is the recipient of the 1st Distinguished Alumnus Award in 2005 by IIT, Roorkee; the "Gaurav Shri Award" from Agra University in 2011; "Best Independent Director 2011" by Asian Center for Corporate Governance & Sustainability & "Global India Business Leader of the Year – 2013 by Horasis (The Global Visions Community) for excellence in entrepreneurship, innovation and leadership.

Mr Subodh Kr Bhargava had been appointed as an independent director of the Company with effect from October 30, 2000 under Clause 49 of the Listing Agreement. Upon retirement of Dr.J. J. Irani, he was appointed as Chairman of the Company.

As per the provisions of Section 149 of the Companies Act, 2013 ("Act") which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a fixed term up to five consecutive years on the Board of a company and shall not be liable to retire by rotation. Mr Subodh Kr Bhargava has given a declaration to the Board in terms of Section 149 (7) of the Act that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr Subodh Kr Bhargava as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director for a period commencing from the date of this AGM till March 29, 2017 being the date of his retirement as per Tata group guidelines.

In the opinion of the Board, Mr. Subodh Kr Bhargava fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

The Company has received a notice under section 160 of the Act along with requisite deposit from a member proposing his re-appointment as a Director at the ensuing Annual General Meeting.

Mr. Subodh Kr Bhargava is retiring by rotation at this AGM under the erstwhile applicable provisions of the Companies Act, 1956.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr Subodh Kr Bhargava as Independent Director is now being placed before the Members for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

Mr. Subodh Kr. Bhargava and/or his relatives may be deemed to be concerned or interested in the proposed Resolution in so far as it relates to his own appointment.

Save and except above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item no. 4

Mr. B. D. Bodhanwala has been engaged in the business of civil construction. Apart from being a well known businessman, he is also actively engaged in various social & charitable activities.

Mr. B. D. Bodhanwala had been appointed as an independent director of the Company with effect from October 30, 2000 under Clause 49 of the Listing Agreement and is retiring by rotation at this AGM under the erstwhile applicable provisions of the Companies Act, 1956.

As per the provisions of Section 149 of the Companies Act, 2013 ("Act") which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a fixed term up to five consecutive years on the Board of a company and shall not be liable to retire by rotation. Mr. B. D. Bodhanwala has given a declaration to the Board in terms of Section 149 (7) of the Act that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr. B. D. Bodhanwala as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director for a period of 5 consecutive years from the date of this AGM.

In the opinion of the Board, Mr. B. D. Bodhanwala fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

The Company has received a notice under section 160 of the Act along with requisite deposit from a member proposing his re-appointment as a Director at the ensuing Annual General Meeting.

Mr. B. D. Bodhanwala is retiring by rotation at this AGM under the erstwhile applicable provisions of the Companies Act, 1956.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. B. D. Bodhanwala as Independent Director is now being placed before the members for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

Mr. B. D. Bodhanwala and/or his relatives may be deemed to be concerned or interested in the proposed Resolution in so far as it relates to his own appointment.

Save and except above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 5

Mr Ranaveer Sinha is the Managing Director of Tata Hitachi Construction Machinery Co. Ltd., a joint-venture between Tata Motors and Hitachi Construction Machinery Co. Ltd. of Japan. Under his leadership, the company has grown to become India's foremost construction equipment company and has been recognized by being awarded the JRD QV Business Excellence Award from the Tata Group and also the Business Excellence Award Advanced Level by Japan Institute of Plant Maintenance.

Since March 2013, he has been Member of the Board of Governors, XLRI, Jamshedpur. He is also the Chairman of Serviplem SA and Comoplesa Lebrero SA, Spain and North Baryval Special Vehicles (NBSV) in China, the companies that have been acquired by Tata Hitachi. He has also been mentoring a number of companies in helping them in their quest for Business Excellence.

He has been associated with several national and international bodies being the past Chairman of Confederation of Indian Industry (CII), Jharkhand Council, Ex-Chairman of International Tube Association (2001 & 2002) and Past Chairman of Indian Earthmoving & Construction Industry Association Ltd. He is also Past Chairman (2011-12) of CII (Eastern Region). Besides, he also serves on the CII National Council on Skill Development; Capital Goods & Affirmative Action. Mr Sinha is also on the National Council of CII representing Eastern Region.

He is also passionately involved with ushering in new initiatives like Affirmative Action, Climate Change, etc.

Mr. Ranaveer Sinha had been appointed as an independent director of the Company under Clause 49 of the Listing Agreement with effect from March 18, 2004, liable to retire by rotation under the erstwhile applicable provisions of the Companies Act, 1956.

As per the provisions of Section 149 of the Companies Act, 2013 ("Act") which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a fixed term up to five consecutive years on the Board of a company and shall not be liable to retire by rotation. Mr Ranaveer Sinha has given a declaration to the Board in terms of section 149(7) of the Act that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr Ranaveer Sinha as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director for a period of 5 consecutive years from the date of this AGM.

In the opinion of the Board, Mr Ranaveer Sinha fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

The Company has received a notice under section 160 of the Act along with requisite deposit from a member proposing his re-appointment as a Director at the ensuing Annual General Meeting.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr Ranaveer Sinha as Independent Director is now being placed before the Members for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

Mr. Ranaveer Sinha and/or his relatives may be deemed to be concerned or interested in the proposed Resolution in so far as it relates to his own appointment.

Save and except above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 6

Mr R. V. Raghavan is a professional manager. He is a Chartered Accountant and an alumnus of Harvard Business School and has had several years of senior level, hand on experience in companies such as Philips and Glaxo and as a Director of Voltas, his international experience includes a stint as Advisor to the W J Towel Group in the Sultanate of Oman.

Mr R. V. Raghavan had been appointed as an independent director of the Company under Clause 49 of the Listing Agreement with effect from October 23, 2007 liable to retire by rotation under the erstwhile applicable provisions of the Companies Act, 1956.

As per the provisions of Section 149 of the Companies Act, 2013 ("Act") which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a fixed term up to five consecutive years on the Board of a company and shall not be liable to retire by rotation. Mr R. V. Raghavan has given a declaration to the Board in terms of Section 149(7) of the Act that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr R. V. Raghavan as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director for a period commencing from the date of this AGM till April 3, 2017 being the date of his retirement as per Tata group guidelines.

In the opinion of the Board, Mr R. V. Raghavan fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

The Company has received a notice under section 160 of the Act along with requisite deposit from a member proposing his re-appointment as a Director at the ensuing Annual General Meeting.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr R. V. Raghavan as Independent Director is now being placed before the Members for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

Mr. R. V. Raghavan and/or his relatives may be deemed to be concerned or interested in the proposed Resolution in so far as it relates to his own appointment.

Save and except above, none of the other Directors or Key Managerial Personnel of the Company, or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 7

Mr Dipankar Chatterji is a Commerce graduate and a practicing Chartered Accountant with around 40 years of experience in Auditing and taxation. He has been on the Board of other Public Sector Banks and is also on the Boards of other companies including Hindustan National Glass & Industries Limited, West Bengal Industrial Development Corporation Limited, Nicco Ventures Limited. He is presently on the Board of The Calcutta Stock Exchange Ltd and is currently the Vice President of one of the top 10 Business Schools in the Country. Presently Director of Union Bank of India. He is also on the General Council of one of the State Universities of the country. He had been member on various Committees set up by RBI/IBA/various Government authorities. He had been a Central Council member of ICAI and was the Chairman of Auditing Practices Committee of ICAI. He was also the Chairman of Eastern India Regional Council of the ICAI. He is presently a member of National Council of CII and also Chairman of National Committee on Accounting Standards of CII.

Mr Dipankar Chatterji had been appointed as an independent director of the Company under Clause 49 of the Listing Agreement with effect from June 21, 2008, liable to retire by rotation under the erstwhile applicable provisions of the Companies Act, 1956.

As per the provisions of Section 149 of the Companies Act, 2013 ("Act") which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a fixed term up to five consecutive years on the Board of a company and shall not be liable to retire by rotation. Mr Dipankar Chatterji has given a declaration to the Board in terms of section 149(7) of the Act that he meets the criteria of independence as provided under Section 149 (6) of the Act.

The matter regarding appointment of Mr Dipankar Chatterji as Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director for a period of 5 consecutive years from the date of this AGM.

In the opinion of the Board, Mr Dipankar Chatterji fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

The Company has received a notice under section 160 of the Act along with requisite deposit from a member proposing his re-appointment as a Director at the ensuing Annual General Meeting.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr Dipankar Chatterji as Independent Director is now being placed before the Members for their approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company.

Mr. Dipankar Chatterji and/or his relatives may be deemed to be concerned or interested in the proposed Resolution in so far as it relates to his own appointment.

Save and except above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 8

Mr. Prasad R. Menon is a B.Tech. (Chemical Engineering) from Indian Institute of Technology, Kharagpur and has over 40 years of diverse experience in some of the premier multinational and Indian companies in the chemical and power industry. He worked in Imperial Chemical Industries (ICI) for 20 years, followed by Nagarjuna Fertilizers, Tata Chemicals and Tata Power from where he retired as Managing Director in January 2011.

He is currently serving on a number of Tata Companies Boards, including Tata Industries, Tata Chemicals, Tata Projects, Tata Consulting Engineers, and Tata Quality Management Services. He is also on the Board of Axis Bank, SKF India Ltd. and the Sanmar Group.

He is the Chairperson of the Tata Group Safety Committee and the Group Sustainability Committee. Recently he has been appointed as Non-Executive Chairman of Tata Projects Ltd. He is also Chairman of Tata-SIA Airlines Ltd, Tata Consulting Engineers Ltd.

Apart from work, Mr. Menon is involved in various Advisory Committees in the areas of academics, sustainability and corporate governance.

He was appointed as an additional director by the Board with effect from August 2, 2013 and holds office upto the ensuing AGM. The Company has received a notice under section 160 of the Act along with requisite deposit from a member proposing his appointment as director at the ensuing Annual General Meeting.

The Nomination and Remuneration Committee at its meeting held on May 1, 2014 recommended his appointment as a Director of the Company liable to retire by rotation.

Considering the vast experience of Mr. Prasad R. Menon the Board is of the view that his appointment will be of immense benefit to the Company and recommends for shareholders approval.

Mr. Prasad R. Menon and/or his relatives may be deemed to be concerned or interested in the proposed Resolution in so far as it relates to his own appointment.

Save and except above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item Nos. 9 & 10

The shareholders had at their 46th AGM held on July 20, 2009 passed ordinary resolution under section 293(1)(d) and section 293(1)(a) authorizing the Board to borrow monies (excluding temporary loans viz loan repayable within 6 months, cash credit etc) upto a sum of Rs 200 crores and to create charge/security for the said borrowings.

In terms of Section 180 of the Companies Act, 2013 read with Ministry of Corporate Affairs' General Circular No. 04/2014 dated 25.03.2014, consent of the Company is required by way of a special resolution to borrow funds in excess of the paid up capital and free reserves of the Company and to create security for the same. Accordingly, to enable the Company to continue to availing the said borrowing limits and creating of security on the same, Item nos. 9 & 10 have been put forward for your approval.

Mr Prasad R. Menon is a director of Axis Bank. Mr. Dipanker Chatterji is also on Board of nationalized bank & state financial institution, however transactions, if any, are/shall be on arms' length basis with such banks/financial institutions.

Save and except above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolutions.

Your Board recommends the Resolutions at Item nos. 9 & 10 for your approval as Special Resolutions.

Item No. 11

The Company has always believed in CSR activities. The CSR function encompasses several programmes which mainly cover the following areas:

- Education and literacy
- Employability training
- Health
- Employment and livelihood opportunities
- Support to activities organized by sports and professional bodies
- Environment protection and climate change.

The Company conducts such programmes with various organisations including TRF Ladies Association and also supports the Valley View School in TRF Nagar, which provides quality education for students in the nearby community.

In order to continue such CSR activities, some contributions/expenditure may come under purview of Section 181 of the Companies Act, 2013. In view of losses, the consent of the members is sought to enable the Company to continue with such CSR activities.

Your Board recommends the Resolution for your approval.

Wives of the officers including Key Managerial Personnel of the Company are members of TRF Ladies Association, which is a registered society and Mr B. D. Bodhanwala, Director and Key Managerial Personnel of the Company are members of the Trust of Valley View School and may be deemed to be interested or concerned in case contribution is made under the authority of the proposed resolution to the said entities.

Save and except above, none of the other Directors or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 12

The Board on the recommendation of Audit Committee, has approved the appointment of M/s. Shome & Banerjee, the Cost Auditors, to conduct the audit of cost records of the Company for the financial year 2014-15 at a consolidated remuneration of Rs. 2,50,000/- (excluding applicable taxes) to be paid to and they shall also be entitled to re-imbursement of out of pocket expenses as may be incurred by them, if any, during the course of their assignment.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with such other provisions under applicable law, the remuneration payable to the Cost Auditors would require subsequent ratification from the members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Your Board recommends passing of the resolution under Item no. 12 of the notice as an Ordinary Resolution.

By Order of the Board of Directors

Registered Office:

11, Station Road,
Burma Mines,
Jamshedpur – 831 007.

Tarun Kumar Srivastava
Company Secretary

May 2, 2014

**Details of Directors seeking appointment/reappointment in the forthcoming Annual General Meeting
(Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange)**

Name of Director	Mr. Subodh Kr Bhargava	Mr. B. D. Bodhanwala	Mr. Ranaveer Sinha
Date of Birth	30-03-1942	02-11-1947	09-07-1954
DIN	00035672	00097326	00103398
Date of Appointment	30-10-2000	30-10-2000	18-03-2004
Expertise in specific functional areas	Wide experience across various industries	Civil Construction, Projects and Material handling	Engineering
Qualifications	B.E. (Mech.)	B.Com(H)	B.E. (Mech.), PGDBM (XLRI)
Directorship held in other public companies (excluding foreign companies) as on 31.03.2014	Tata Communications Ltd Tata Steel Ltd Glaxosmithkline Consumer Health care Ltd Batliboi Ltd Larsen & Toubro Ltd Tata Motors Ltd	Nil	Tata Hitachi Construction Machinery Company Ltd.
Membership/Chairmanship of Committees of other public companies (includes only Audit Committee and Shareholders' /Grievance Committee) as on 31.03.2014	Tata Steel Ltd -Audit Committee Chairman Tata Communications Ltd - Audit Committee Member Batliboi Ltd -Audit Committee Member	Nil	Nil
Shareholding in TRF Limited	NIL	NIL	10
Relationship with other Directors	None	None	None

TRF LIMITED

Fifty First annual report 2013-14

Name of Director	Mr. R. V. Raghavan	Mr. Dipankar Chatterji	Mr. Prasad R Menon
Date of Birth	04-04-1942	23-08-1948	23-01-1946
DIN	01754139	00031256	00005078
Date of Appointment	23-10-2007	21-06-2008	02-08-2013
Expertise in specific functional areas	Finance, General Management	Finance & Accounts	Diverse experience in the chemical and power industry
Qualifications	B.Com, F.C.A. (England & Wales), A.M.P.(Harvard)	B.Com(Hons.), F.C.A.	B.Tech.(Chemical Engineering) from IIT, Kharagpur
Directorship held in other public companies (excluding foreign companies) as on 31.03.2014	Rane Engine Valve Ltd	Hindusthan National Glass & Industries Ltd West Bengal Industrial Development Corpn Ltd Nikko Ventures Ltd Peerless Financial Services Ltd The Calcutta Stock Exchange Ltd Texmaco Infrastructure & Holdings Ltd	Tata Chemicals Ltd Tata Industries Ltd Tata Projects Ltd Tata Consulting Engineers Ltd Tata-SIA Airlines Ltd Tata Foundation Axis Bank Ltd SKF India Ltd
Membership/Chairmanship of Committees of other public companies (includes only Audit Committee and Shareholders' /Grievance Committee) as on 31.03.2014	NIL	Hindusthan National Glass & Industries Ltd - Audit Committee Member West Bengal Industrial Development Corporation Ltd -Audit Committee Chairman Texmaco Infrastructure & Holdings Ltd –Audit Committee Member Peerless Financial Services Ltd – Audit Committee Chairman The Calcutta Stock Exchange Ltd – Audit Committee Member	Tata Projects Ltd - Audit Committee Member Tata Industries Ltd -Audit Committee Member SKF India Ltd -Audit Committee Member & Member of Share Transfer/Investor Grievance Redressal Committee
Shareholding in TRF Limited	NIL	NIL	NIL
Relationship with other Directors	None	None	None

Highlights

Rupees in lac

	2013-14 Consolidated	2012-13 Consolidated	2011-12 Consolidated	2010-11 Consolidated	2009-10 Consolidated
Sales & Services (Net)	117,453.39	111,482.43	132,740.63	111,355.70	86,591.86
Other Income	1,443.58	817.73	659.03	1,254.42	1,237.10
Exceptional Item	2,972.50	—	—	—	—
Employee Costs	10,889.36	11,787.43	10,306.89	8,302.18	6,914.10
Depreciation	1,233.98	1,214.57	1,077.89	849.17	611.60
Interest & brokerage	5,886.38	5,493.99	4,036.85	1,755.21	1,250.76
Profit/(Loss) before taxes	(5,644.35)	(8,778.03)	2,718.45	711.86	7,386.77
Provision for taxes (net)	149.01	355.11	1,375.99	522.84	2,509.91
Profit/(Loss) after taxes	(2,820.86)	(9,133.14)	1,342.46	189.02	4,876.86
Dividend (%)	—	—	40	20	75
Work Production	26,450.34	30,713.00	28037.00	24,910.00	20,009.86
Progress billings	50,522.96	59,952.88	65,612.31	64,014.87	54,046.79
	As on 31.03.2014	As on 31.03.2013	As on 31.03.2012	As on 31.03.2011	As on 31.03.2010
Net fixed assets	10,973.75	11,151.99	11,166.11	8,390.78	6,170.29
Share Capital	1,100.44	1,100.44	1,100.44	1,100.44	1,100.44*
Reserves and Surplus	4,746.87	6,570.60	15,017.56	13,380.05	13,616.54
Net worth	5,647.31	7,671.04	16,118.00	14,480.49	14,716.98
Borrowings	59,907.76	57,561.64	50,315.02	32,776.87	21,661.95
Net worth per share (Rs.)	53.14	69.71	146.47	131.59	133.74
Debt: Equity ratio	10.61:1	7.50:1	3.12:1	2.26:1	1.47:1
Number of employees	1390	—	1579	1556	1336

* Note; during the financial year 2009-10, the Company has issued bonus equity shares to its Shareholders in 1:1 ratio.

DIRECTORS' REPORT

To the Members

The Directors are pleased to present their 51st annual report and the audited financial accounts for the year ended March 31, 2014.

The Indian economy continued to be sluggish during the year with GDP dropping to lower than 5%. The expected turnaround and improvement in manufacturing, power and port sector did not materialize. Orders were few and the market witnessed predatory pricing strategies by certain competitors which also affected the order book and the capacity utilization of your Company.

Globally as well as in Indian the Auto Industry also remained depressed during the year under review impacting performance of auto application business of the subsidiaries.

The Board reviewed the overall scenario and has laid down strategies to be followed under the current adverse economic scenario to improve the performance.

1.0 Results

Figures in Rupees lakhs

	TRF Standalone		TRF Group	
	2013-14	2012-13	2013-14	2012-13
Net Sales / Income from Operations	69,622.12	64,660.64	117,453.39	111,482.43
Profit/(Loss) before taxes	(2,444.05)	(7,808.15)	(2,671.85)	(8,778.03)
Profit/(Loss) after taxes	(2,522.63)	(7,951.49)	(2,820.86)	(9,133.14)
Profit/(Loss) after minority interest and share of profit of associates	(2,522.63)	(7,951.49)	(2,886.91)	(9,169.04)
Add: Balance brought forward from the previous year	(5,682.47)	2,269.02	(7,988.81)	1,180.23
Balance	(8,205.10)	(5,682.47)	(10,875.72)	(7,988.81)
Which the Directors have apportioned as under :				
(i) Proposed dividend on Equity Shares	-	-	-	-
(ii) Tax on dividend	-	-	-	-
(iii) General Reserve	-	-	-	-
Total	-	-	-	-
Balance to be carried forward	(8,205.10)	(5,682.47)	(10,875.72)	(7,988.81)

2.0 Dividend:

In view of the loss incurred during the year, no dividend has been recommended by the Directors for the year under review.

3.0 Operations:

During the financial year 2013-14 works production declined by about 14% as compared to growth of 9% achieved in FY'12-13. Project Orders booked during the financial year 2013-14 have also not been significant. However, the Company continued to introduce new products & focused on increase in spares business. It also worked aggressively on cost reduction to reduce losses.

4.0 Performance of Subsidiary Companies

4.1 York Group:

York Group Sales continued to decline for 2nd consecutive year due to decline in demand for prime movers.

York India's Exports increased during the year and was Rs 48.53 crores as compared to Rs 19.43 crores in previous year. Further there has been a decline on dependence on imports in York-India's operations.

In other markets, York maintained its market share, though most of the economies experienced lower GDP growth compared to the 2013 forecast. During the year York participated in exhibitions in India, Australia, China and Turkey and launched several new axles and suspensions. The company has started work in developing new markets and has identified Turkey, Russia, & Brazil markets as growth opportunities.

4.2 DLT Group:

During the FY 2013-14 DLT Group's sales (excluding Tata DLT) increased by 3.6% from 9.10 USDM in FY'12-13 to 9.43 USDM in FY'13-14.

Port Terminal Trailers exports from Sri Lanka increased by 7.5 %. Export of Road Trailers increased by 167 % during FY'13-14 as compared to a drop of 49% in FY'12-13.

However increased local competition and freight factor had an adverse impact on contributions realized in Port Trailers. DLT Sri Lanka introduced Cement Bulk Pressure tankers and Fuel Bowsers for Domestic Market during FY 2013-14.

Major reasons like GCC's preference for local buying, Chinese developed ports (including Colombo) resorting to buying from China, continued drop in domestic demand in Sri Lanka for Road Trailers resulted in lower revenues.

DLT group has also planned to develop new products and focus on General Fabrication and Trailers Equipment Service to de-risk the negative impact of fluctuating demand for trailers and to increase capacity utilization.

Tata International DLT, a joint venture in India, suffered due to drop in prime mover sales in India. The Company has started selling directly into the market as demand from Tata Motors dropped significantly.

4.3 Adithya Automotive Applications:

The commercial vehicle sector witnessed a continual downturn trend in FY'13-14. Sales of Medium and Heavy Commercial Vehicles (M&HCV) were lower by 26 % in FY'13-14 as compared to decline of 23% in previous year. Adithya Automotive Applications Private Limited performed against the downturn trend and recorded its' highest ever Revenue of Rs 75.88 crore (Previous Year Rs 64.73 crore) and had a profitable year.

AAA was been awarded the IMS certification for management system standards: ISO 9001:2008, ISO 14001:2004, BS OHSAS 18001:2007 during the year. It is the only application vendor of Tata Motors having ISO 14001:2004, BS OHSAS 18001:2007.

It bagged the Best supplier award from Tata Motors Ltd on the occasion of annual supplier conference meet at Macau and retained its "A" category vendor rating from Tata Motors Ltd.

4.4 Hewitt Robins International Ltd (HRIL):

Hewitt Robins posted yet another successful set of results despite a continued depressed European market. Capital investments made in prior years resulted in improved operating efficiencies and short lead time for delivery of machines, helping financial performance.

During the period HRIL embarked on a development programme in conjunction with TRF to develop the next generation of vibrating equipment for the bulk material handling industry, which will further increase operating efficiencies for HRIL as well as the end-user.

The order book for the next financial year puts the company in a strong position to increase market share in Europe and further improve on prior years performance.

4.5 Subsidiaries Annual Report

The consolidated financial statements presented by the Company include financial information of its subsidiaries prepared in compliance with applicable accounting standards. The Ministry of Corporate Affairs, Government of India vide its circular no 51/12/2007-CL-III dated 8th February, 2011 has granted general exemption under section 212(8) of the Companies Act, 1956, from attaching the balance sheet, profit & loss account and other documents of the subsidiary companies to the balance sheet of the Company, provided certain conditions are fulfilled. Accordingly, annual accounts of the subsidiary companies and the related detailed information will be made available to the holding

and subsidiary companies' investors seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by any investor at the Registered Office(Head Office) of the Company and that of the subsidiary companies concerned.

5.0 Outlook:

There is renewed hope of improvement in the Indian economy. Government has laid down emphasis in infrastructure projects which should help your Company in terms of getting new orders.

Auto application business is also expected to do better with the opening up of some mines & expected recovery in the economy.

With various measures taken in Indian and global markets, and expected improvement in the economy worldwide, your Company expects better performance in FY 2014-15.

6.0 Exports:

During the year, the Company earned foreign exchange worth Rs. 262.81 crores through exports, including deemed exports of Rs. 241.37 crores, as against previous year's earnings of Rs. 393.14 crores through exports (including deemed exports of Rs. 393.11 crores).

7.0 Audit Report:

The Statutory Auditors Report on Annual Accounts for the financial year 2013-14 does not contain any qualification which warrants comments from the Board of Directors.

8.0 Management Discussions and Analysis:

Management Discussion and Analysis Report is set out as a separate Annexure to this Report.

9.0 Fixed Deposits:

As in the previous year, the Company has not accepted/ renewed any fixed deposits during the year.

10.0 Business Excellence:

The Company is a signatory to the Tata Brand Equity and Business Promotion (BEBP) Agreement with Tata Sons Ltd. The agreement entails complying with the Tata Group Policies, Tata Code of Conduct (TCOC), and conducting business according to the Tata Business Excellence Model (TBEM).

11.0 Directors' Responsibility Statement:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors based on the representations received from the Operating Management, confirm that they have:

- 11.1 followed the applicable accounting standards and that there are no material departures in the preparation of the annual accounts;
- 11.2 consulted the Statutory Auditors in selecting accounting policy and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit / loss of your Company for the relevant period;
- 11.3 taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- 11.4 prepared the annual accounts on a going concern basis.

12.0 Affirmative Action & Corporate Sustainability Initiatives

TRF's corporate social responsibility and affirmative action function is inspired by the ethos of the Tata Group founder, Jamsetji Nusserwanji Tata. The Company values its corporate social responsibility (CSR) process as key business process and is guided by Tata Group CSR policy guidelines. TRF's CSR programme covers those communities residing in the immediate vicinity of its manufacturing plant and its residential township of TRF Nagar.

The CSR function encompasses several programmes which cover the following areas:

- Education and literacy
- Employability training
- Health
- Employment and livelihood opportunities
- Support to activities organized by sports and professional bodies
- Environment protection and climate change.

These programmes are conducted by the TRF Ladies Association under the guidance of the Company. The Company also supports Valley View School in TRF Nagar, which provides quality education.

In addition to the above, the Company encourages volunteering by its employees under a scheme called, 'Main Hoon Na' and 'Tata Engage'. Employees participate on voluntary basis in welfare activities such as education, environment, safety awareness and women empowerment. Employees of TRF, in response to an appeal from Tata Relief Committee contributed financially towards the relief and rehabilitation activities in Uttarakhand.

13.0 Environment:

Although, the operations of the Company at Jamshedpur, and at its project sites, are basically non-polluting in nature, adequate precautions are taken to comply with all regulatory requirements in this regard at all locations. In addition to ensuring compliance with the legal norms, the Company continues its efforts towards urban beautification and tree plantation. As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the relevant particulars are given in the annexure to this report.

14.0 Corporate Governance:

Pursuant to Clause 49 of the Listing Agreement executed with the Stock Exchanges, a Management Discussion and Analysis, Corporate Governance Report, Managing Director's declaration regarding compliance to code of conduct and Auditors' Certificate regarding compliance to conditions of Corporate Governance are made a part of the Annual Report.

15.0 Dematerialization of Securities:

As the members are aware, your Company has made arrangements to dematerialize its securities and has been offering securities in dematerialized form pursuant to the Depositories Act, 1996 through National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). All the applications received for Dematerialization have been acted upon and 93.48 % of Company's Share Capital stood in dematerialized form as on March 31, 2014.

16.0 Industrial Relations:

The Directors would like to place on record their sincere appreciation of the Workers' Union and the employees for their continued co-operation in maintaining harmonious industrial relations, production and productivity and in the implementation of various initiatives to reduce internal costs and improvements in operational efficiencies.

17.0 Directors:

- 17.1 The Nomination and Remuneration Committee has reviewed the appointment of Mr Subodh Kr Bhargava, Mr B. D. Bodhanwala, Mr Ranaveer Sinha, Mr R.V. Raghavan and Mr Dipankar Chatterji, existing independent directors and have found that they fulfill the conditions specified under the Companies Act, 2013. The Company has received a notice along with requisite deposit from a member proposing their appointment. The aforementioned directors are proposed to be appointed/ re-appointed as independent directors in accordance with the provisions of section 149 of the Companies Act, 2013 at the ensuing Annual General Meeting.
- 17.2 Mr. R. P. Singh has expressed his intention to step down from the Board with effect from July 31, 2014. The Directors would like to place on record their sincere appreciation of the contributions made by Mr R. P. Singh during his tenure on the Board since 2001.
- 17.3 Mr. Prasad R. Menon who was appointed as an additional director by the Board with effect from August 2, 2013 hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice along with requisite deposit from a member proposing his appointment as a director at the ensuing Annual General Meeting. He shall be liable to retire by rotation.

18.0 Particulars of Employees:

A statement giving information about employees of your Company pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, would be made available to the shareholders on request.

19.0 Additional Information:

Additional information required to be disclosed in terms of Notification No. GSR 1029 dated December 31, 1988 issued by the Department of Company Affairs is given in the Annexure to this Report.

20.0 Auditors:

The existing Auditors, M/s Deloitte Haskins & Sells (DHS), Kolkata, Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Your Company has received a certificate from the Auditors to the effect that they are eligible for re-appointment under the applicable provisions of the Companies Act, 2013. Members are requested to appoint Auditors for a period of one year i.e for the financial year 2014-15 at the Annual General Meeting and to authorize the Board of Directors to fix their remuneration as mutually agreed upon between the Board and the Auditors.

21.0 Acknowledgement:

Directors place on record their deep appreciation for the continued support received during the year from the shareholders, customers, suppliers and associates, banks, financial institutions, collaborators, the Workers' Union, other authorities and all the employees of your Company.

On behalf of the Board of Directors

Subodh Bhargava
Chairman

Kolkata, May 2, 2014

Annexure to the Directors' Report 2013-14

(Additional Information given in terms of Notification No. GSR 1029 of 31.12.1988 issued by the Department of Company Affairs)

Disclosures	Form B
A. Conservation of Energy	Research & Development
a) Energy Conservation measures taken - Provision of Natural light by adding transparent sheet on the roof of idler assembly b) Additional Investments and Proposals, if any: - Replacement of old MV light with low wattage high efficient metal Halide light fitting in shop floor - Provision of Drag Cable Chain by removing cable festooning arrangement in EOT cranes - Up gradation of feed drives system of Horizontal Boring machine (HB-2 & HB-5) c) Impact of the above measures on consumption of Energy: Reduction of consumption of energy. d) Total Energy Consumption and Energy Consumption per unit of production as prescribed in Form - A: - Not given as your Company is not under the list of Specified industries. B. Technology Absorption: Refer "Form B" given in the next column. C. Foreign Exchange Earnings and Outgo: Earnings- Rs.26,281.09 lakhs Outgo- Rs. 610.08 lakhs Information on foreign exchange outgo is contained in Note 28.10 of Additional Information to Financial Statements. Company is exploring opportunities for export through its subsidiary HRIL and also through other partners. Other information related to exports are stated in Directors' Report and Management Discussion & Analysis Report.	1. Specific areas in which R&D carried out by your Company: - Ring Granulator (2000 TPH) - Optimisation of Pulley - Wagon Tippler Hydraulic Optimization - Reduction in structural steel consumption by using Hollow Sections - Use of TEKLA software in case of Civil Design and Drawings 50 t Ship Unloader with 2000 tph free digging Capacity with 18 m track gauge for NLC – Engineering Completed. Erection in progress. 41 m Boom 3300 / 3300 tph Stacker cum Reclaimer with 8.2 m track gauge for NTPC, Nabinagar. – Engineering in progress. 2. Benefits derived as a result of the above R&D - Enhancing product range - Meeting need of customized product. - Addressing new markets. 3. Future Plan of Action To Develop & introduce:- - Travelling Plough Feeder(150 TPH) - Ring Granulator(2450 TPH) - Plough Feeder(2475 TPH) - Impactor for Coal (650 TPH (-) 3 mm Prod. Size) - Impactor for Lime stone (600 TPH (-) 3 mm Prod. Size) - Rotary Breaker 14' X 28' - Double Roll Crusher (750 TPH) "C" Type Wagon Tippler - Stacker cum Reclaimer of 4000/ 4000 TPH capacity- in phases as per requirement of customer. - Ship unloader of 2200 TPH Free digging capacity- as per requirement of customer. - Single boom scraper reclaimer of 600 TPH capacity- as per requirement of customer 4. Expenditure on R & D including Expenditure incurred on items developed and supplied to customers a) Capital : Rs.18.49 lakhs b) Recurring/Revenue : Rs.4,690.45 lakhs c) Total : Rs.4,708.94 lakhs d) Total R&D expenditure as a percentage of total turnover : 6.76 % 5. Technology absorption, adaptation and innovation : - Development of high capacity Stacker/Reclaimer - Development of capability to undertake Vibration Analysis for Vib. Equipment. - Use of soft-wares like Tekla, solid edge & solid works for modeling & Hyper works for Analysis purpose.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

1. Industry, Structure and Development

The over all economy continued to decline during the year under review and all economic indicators such as GDP, industrial growth rate etc., speak out the dismal business conditions prevalent during the year under review. As per data released upto January 2014 the Manufacturing sector witnessed a negative growth of 0.4% (YoY) against last FY's growth of 0.8%; Mining sector also had a negative growth of 1.5% (YoY) while the Electricity Sector grew by 5.7% (YoY) in FY '13-14. Other sectors witnessed either low or negative growth in FY '13-14. The overall Index of Industrial Production was "Zero" % in FY'13-14 compared to 1% in the last FY. This impacted your company adversely in terms of lower order book and tight cash flow.

2. Opportunities & Threats

- Per capital steel, cement and electricity consumption in India is still very low compared to developed economies. There is a huge potential for growth in the infrastructure sector in India and resultant growth opportunity for your Company.
- Opportunity to increase spares and O&M business.
- Opportunities in International market explored through our subsidiary Hewitt Robins International Limited.
- Cost reduction to be an area of focus.
- New products introduced by TRF's subsidiaries in auto application business.
- Further slow down in economic growth will have a severe impact on the operations of the Company.
- Depreciation of Rupee and liquidity crunch will impact the financial of the Company.

3. Financial Performance

On standalone basis, total income of your Company during the year was Rs.70,769.50 lakhs (Previous year Rs.65,586.66 lakhs). Loss before Tax for the year was Rs.2,444.05 lakhs (Previous year loss before tax of Rs.7,808.15 lakhs). Loss after Tax for the year was Rs.2,522.63 lakhs (Previous year loss after tax of Rs.7,951.49 lakhs).

On consolidated basis, total income of your Company during the year was Rs.118,896.97 lakhs, (Previous year Rs. 112,300.16 lakhs). Loss before Tax for the year was Rs.2,671.85 lakhs (Previous year Loss before tax of Rs. 8,778.03 lakhs). Loss after Tax & minority interest for the year was Rs. 2,886.91 lakhs (Previous year Loss after Tax & minority interest of Rs.9,169.04 lakhs).

4. Segment-wise Performance

The Projects and Services segment has posted a revenue of Rs.52,602.03 lakhs (Previous Year Rs.51,391.50 lakhs) and the Products and Services segment has posted a revenue of Rs. 28,106.72 lakhs (Previous Year Rs. 30,022.48 lakhs), including inter segmental revenue of Rs.11,086.63 lakhs (Previous year Rs.16,753.34 lakhs).

On a standalone basis, the Projects and Services segment posted a segmental Loss of Rs.5,451.99 lakhs (Previous Year loss of Rs.9,434.86 lakhs). The Products and Services segment has recorded a profit of Rs.4,155.55 lakhs (Previous Year profit of Rs.5,321.66 lakhs). The Loss of the Company after deducting Interest and other unallocable expenditure/ income and exceptional item from the segmental results, has been Rs.2,444.05 lakhs (Previous Year loss of Rs.7,808.15 lakhs).

5. Outlook

It is expected that the following factors will have a positive impact on the overall economic conditions and business environment:

- a) 296 projects with an estimated investment of Rs 660,000 crores have been cleared by Cabinet Committee on Investment and the Project Monitoring Group set-up by the Government.
- b) About 50,000 MW of Thermal and Hydel power is under construction after receiving all clearances. Coal India Ltd is following government directive to sign FSA for 78,000 MW of power capacity.

- c) The declining fiscal deficit, stability in exchange rate and reducing current account deficit, moderation in inflation are signs of improvement in economy.
- d) The government impetus towards social welfare measures and growth in agricultural sector will increase purchasing power of majority of population in agriculture and weaker sections of the society.

If the estimates and measures taken by the Government crystallize, the Company expects demand from Power, Steel, Port and Mining Sectors to improve thereby creating avenues for enhancing its order book position, revenues and profits.

6. Risks and Concerns

Your Company does not perceive any major risk other than the normal risks inherent in contracting and tender driven businesses in which we operate.

To comply with the requirements of the revised Clause 49 of the Listing Agreement, your Company has laid down procedures for identification of the Risks and effective steps are being taken to improve the same.

7. Statutory Compliance

On obtaining confirmation from the various units of the Company of having complied with all the statutory requirements, a declaration regarding compliance with the provisions of the various statutes is made jointly by the Managing Director and Company Secretary at each Board Meeting. The Company Secretary / Compliance Officer ensures compliance with the SEBI regulations and provisions of the Listing Agreement. The Chief, Finance & Accounts acts as the Compliance Officer for prevention of insider trading and ensures compliance with the Tata Guidelines on Insider Trading.

8. Internal Control System

The internal control systems and procedure are continuously monitored to enhance its effectiveness and to be commensurate with the scale and nature of its operations. M/s Pricewaterhouse Coopers (PwC) continue as the Company's outsourced- internal auditors, directly reporting to the Audit Committee. During the year the Audit Committee of the Board regularly met to discharge its functions as required pursuant to the guidelines of Clause 49 of the Listing Agreement. The Audit Committee reviews compliance to the Revenue Recognition and Provisioning Policy of the Company. Internal audit activities are undertaken as per the Annual Audit Plan prepared by the internal auditors based on the risk profile of the business. The annual audit plan is approved by the Audit Committee, which reviews compliance with the plan.

The Audit Committee regularly meets with the statutory auditors to ascertain their views on the adequacy of internal controls and their observations on the financial reports.

9. Developments in Human Resources/Industrial Relations front

Human Resource continues to be a focus area. Total Manpower as on April 1, 2014 was 860. Training and skill development continued to be a top priority.

The Tata Robins Fraser Labour Union actively supports all important initiatives and by working as a team the industrial relations in your Company continue to be healthy and cordial.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

Corporate Governance Report for the year 2013-14

(As required under clause 49 of the Listing Agreement entered into with the Stock Exchanges)

1. A brief statement on Company's philosophy on Code of Governance

The Company has set itself the objective of achieving technological leadership in its area of business. As a part of its strategy, the Company is adopting the 'best practices' that are followed in the area of Corporate Governance across various geographies and emphasizes the need for full transparency and accountability in all its transactions in order to protect the interests of all its stakeholders. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth.

2. Board of Directors

The Company has a non-executive independent Chairman and the number of Independent Directors (5) is more than one-third of the total number of Directors (8) on the Board. The number of non-executive Directors (7) is more than 50% of the total number of Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the financial year and at the last Annual General Meeting, along with the number of Directorships and Committee Memberships held by them in other public companies are given below:

Name	Category	No. of Board meetings attended during 2013-14	Whether attended the AGM held on August 2, 2013	No. of directorship in other Companies as on March 31, 2014 @		No. of committee positions in other Companies held as on March 31, 2014 #	
				As Chairman	As Director	As Chairman	As Member
Mr. Subodh Bhargava, Chairman	Independent Non-Executive Director	6	Yes	2	4	1	2
Mr. B. D. Bodhanwala	Independent Non-Executive Director	6	Yes	-	-	-	-
Mr. R. P. Singh*	Promoter Non-Independent Non-Executive Director	6	Yes	-	-	-	-
Mr. Ranaveer Sinha	Independent Non-Executive Director	6	Yes	-	1	-	-
Mr. R. V. Raghavan	Independent Non-Executive Director	6	Yes	-	1	-	-
Mr. Dipankar Chatterji	Independent Non-Executive Director	6	Yes	-	6	2	3
Mr. Prasad R. Menon (From 02.08.2013)	Non Independent Non-Executive Additional Director	3	N.A.	2	6	1	3
Mr. Sudhir L. Deoras, Managing Director	Executive Director	5	Yes	-	-	-	-

* He has expressed to step down on July 31, 2014.

@ Excludes directorship in private, foreign & section 25 companies.

Represents Chairmanships/Membership of Audit Committee & Shareholders' Grievance Committee only

The Board met six times during the financial year 2013-14 and the gap between any two meetings did not exceed four months. The dates on which the Board meetings were held are as follows:

(i) April 6, 2013 (ii) May 14, 2013 (iii) August 2, 2013 (iv) October 7, 2013 (v) November 7, 2013 and (vi) February 3, 2014.

At each meeting the Board reviews status of compliance of all laws applicable to the Company. Information as required in terms of Annexure IA to Clause 49 of the Listing Agreement was furnished to the Board.

The Tata Code of Conduct, as adopted by the Company, is applicable to the Executive Director and Senior Management Personnel and other Executives of the Company. These codes are posted on the Website of the Company. The Company has received confirmation from the Executive Director as well as Senior Management Personnel regarding compliance of the code during the year under review. The Board at its meeting held on December 26, 2005, has adopted 'Code of Conduct for Non- Executive Directors' of the Company. The Company has also received confirmations from the Non-Executive Directors regarding compliance of the code during the year under review.

The Company did not have any material pecuniary relationship with any Non-Executive Directors during the financial year 2013-14.

As per declarations received by the Company, none of the directors are related to each other in terms of definition of 'relative' given under the Companies Act, 1956.

3. Audit Committee

The Audit Committee of the Board has been functioning since 1997. In terms of a resolution passed by the Board at its meeting held on October 30, 2000, the Audit Committee has been granted powers prescribed under Clause 49II(C) of the Listing Agreement and the scope of the activities of the Audit Committee is as set out in clause 49 of the Listing Agreement with the Stock Exchanges. The broad terms of reference of the Audit Committee are as per Clause 49(II)(D) which inter alia includes to review reports of the Internal Audit Department of the Company; discuss the same with the Internal Auditors periodically, to meet Statutory Auditors to discuss their findings, suggestions and other related matters, and to review weaknesses in internal controls reported by the Internal and Statutory Auditors. The Audit Committee also, mandatorily reviews the information prescribed under Clause 49II (E) of the Listing Agreement. Further the Board has at its meeting held on April 18, 2014 stated that terms of reference, power and role of Audit Committee shall be as specified in the Companies Act, 2013 and listing agreement, as amended from time to time.

The composition of the Audit Committee and the details of the meetings of the Committee attended by the Directors during the financial year 2013-14, are given below:

Name of Member	Category	No. of meetings attended
Mr. Dipankar Chatterji, Chairman	Independent Non-Executive Director	6
Mr. R. V. Raghavan, Member	Independent Non-Executive Director	6
Mr. B.D. Bodhanwala, Member	Independent Non-Executive Director	6

The Committee met six times during the financial year 2013-14. The dates on which the said meetings were held are as follows:

(i) May 13, 2013 (ii) August 2, 2013 (iii) November 6, 2013 (iv) January 22, 2014 (v) February 3, 2014 and (vi) March 14, 2014.

Audit Committee meetings were attended by the Chief, Finance & Accounts and Chief Internal Auditor. Other senior executives of the Company attended the meetings as and when invited by the Committee. Representatives of the Statutory Auditors were also invited to the meetings of the Committee. Company Secretary acts as the Secretary to the Committee. The Chairman Audit Committee attended the Annual General Meeting held on August 2, 2013.

Whistle Blower Policy

The Board of Directors at their meeting held on December 26, 2005, approved the Whistle Blower Policy that provides a formal

mechanism for all employees of the Company to approach the Ethics Counselor / Chairman of the Audit Committee of the Company and make a protected disclosure about unethical behavior, actual or any suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy is an extension of the Tata Code of Conduct, which requires every employee to promptly report to the management any actual or possible violation of the Code or an event he becomes aware of, that could affect the business or reputation of the Company.

Cost Auditor's Details

M/s Shome & Banerjee, Cost Accountants of 5A, Nurulla Doctor Lane, 2nd Floor, Kolkata 700 017 were appointed as Cost Auditors of the Company for the financial year 2013-14.

The Report for the FY 2012-13 in XBRL mode was filed within stipulated time.

4. Remuneration Committee

The Remuneration Committee of the Board has been in operation since 1995. The broad terms of reference of the Remuneration Committee are to review the performance of the Managing/ Whole-time Directors, to recommend to the Board the salary (including annual increments), perquisites and commission/performance linked remuneration to be paid to the Managing/Whole-time Directors of the Company and also recommend retiral benefits to be paid to the Managing/Whole-time Directors under the Tata Group Retirement Benefits Guidelines adopted by the Board.

The Remuneration Committee also considers the annual commission paid to the Non-Executive Directors. The distribution of commission amongst Non-Executive Directors is placed before the Board. The Commission is distributed on the basis of their attendance and contribution to the Board and its Committees meetings.

The composition of the Committee and the details of the meetings attended by the Directors during the financial year 2013-14 are as follows:

Name of Member	Category	No. of meeting attended
Mr. Subodh Bhargava, Chairman	Independent Non-Executive Director	2
Mr. R.V. Raghavan, Member	Independent Non-Executive Director	2

The Committee met twice during the financial year 2013-14. Further the Board has at its meeting held on April 18, 2014 constituted a Nomination and Remuneration Committee in place of Remuneration Committee, consisting of the following members:

Mr R. V. Raghavan, Chairman

Mr Subodh Bhargava, Member

Mr Prasad R. Menon, Member

Remuneration policy

The Non-Executive Directors are paid remuneration by way of sitting fees and commission. In terms of shareholders' approval obtained at the Annual General Meeting held on August 2, 2013, the commission is paid at the rate not exceeding 1% of net profits computed in accordance with Section 309 (5) of the Companies Act, 1956.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and Commission/ Performance Linked Remuneration (variable component) payable to the Managing/ Whole-time Director(s) as determined by the Board at the end of the financial year based on the recommendations of the Remuneration Committee, subject, however, to the overall ceilings on remuneration stipulated in Sections 198, 309 and Schedule XIII of the Companies Act, 1956.

Details of remuneration paid to Non-Executive Directors in the financial year 2013-14 towards sitting fees for attending the Board/Committee meetings are as follows:

Name of Director	Sitting Fees for 2013-14 Rs.
Mr. Subodh Bhargava	1,20,000
Mr. B. D. Bodhanwala	1,87,500
Mr. R. P. Singh	97,500
Mr. Ranaveer Sinha	1,05,000
Mr. R.V. Raghavan	2,10,000
Mr. Dipankar Chatterji	1,95,000
Mr. Prasad R. Menon	45,000
Total	9,60,000

Mr. Ranaveer Sinha (Independent, Non-Executive Director) holds 10 (ten) Equity Shares of the Company jointly with his spouse as on March 31, 2014.

Details of remuneration paid to the Executive Director(s) for the financial year 2013-14 are as follows:

Name	Salary Rs. Lakhs	Perquisites & Allowances* Rs. lakhs	Commission Rs. lakhs	Stock Options
Mr. Sudhir L. Deoras (Managing Director)	45.60	72.69	NIL	NIL

* Includes contribution to the Provident Fund and Superannuation Fund.

Period of Contract : From 01.04.2013 to 31.03.2016 (subject to being co-terminus with the date of his retirement in accordance with the Tata Steel Group retirement Policy).

The contract may be terminated by either party giving the other party six months' notice or the Company paying six months' salary in lieu thereof.

There is no separate provision for payment of severance fees.

5. Shareholders' Grievance & Share Transfer Committee

The terms of reference of the Shareholders' Grievance and Share Transfer Committee are to specifically look into the redressal of Investors' complaints like transfer of shares, issue of duplicate share certificates, transmission of shares, non-receipt of balance sheet and non-receipt of declared dividend, etc. The Committee met once during the financial year 2013-14 on March 22, 2014. The Board has at its meeting held on April 18, 2014 renamed the Committee as 'Stakeholders Relationship Committee'.

The composition of the Shareholders' Grievance and Share Transfer Committee and details of the meeting attended by the Directors are given below:

Name of Member	Category	No. of meeting attended
Mr. B.D. Bodhanwala, Chairman	Independent, Non-Executive Director	1
Mr. R. P. Singh, Member	Promoter, Non-Independent Non-Executive Director	1
Mr. Sudhir L. Deoras (Managing Director), Member	Executive Director	1

TRF LIMITED

Fifty First annual report 2013-14

Name, designation & address of Compliance Officer :

Mr. Tarun Kumar Srivastava
Company Secretary
TRF Limited
11, Station Road, Burma Mines,
Jamshedpur - 831 007.

Phone: (0657) 3046326

Fax: (0657) 2345732

E-mail: investors@trf.co.in

No. of complaints received from the investors during the financial year 2013-14 : 1

No. not solved to the satisfaction of the investors as on 31.03.2014 : Nil

No. of pending complaints as on 31.03.2014 : Nil

6. **Other Committee:**

In addition to the above Committees on Corporate Governance, the Board has also constituted the Finance Committee to ensure greater transparency in the functioning of Board:

The terms of reference of the Finance Committee are to review and monitor the financial structure of the Company to ensure the availability of funds at competitive cost, in line with the Company's growth and fiscal strategy. It also reviews and monitors the financial matters requiring special attention.

The composition of Finance Committee and details of meetings attended by the members during the financial year 2013-14 are as follows:-

Name of Director	Category	No. of meetings attended
Mr. Dipankar Chatterji, Chairman	Independent, Non-Executive Director	1
Mr. Ranaveer Sinha, Member	Independent Non-Executive Director	1
Mr. Sudhir L. Deoras (Managing Director), Member	Executive Director	1

The Finance Committee met once during the financial year 2013-14 on May 13, 2013.

7. **Subsidiary Companies**

The Company did not have any material Non-Listed Indian Subsidiary during FY'13-14 and hence was not required to have an Independent Director of the Company on the Board of any of its subsidiary companies. The Audit Committee also reviews the financial statements of the subsidiary companies. The Board and the Audit Committee also periodically review investments made by the Company's subsidiaries.

The minutes of the subsidiary companies are placed before the Board of Directors of the Company and the attention of the Directors is drawn to all significant transactions and arrangements entered into by the subsidiary companies.

8. **General body meetings**

Location and time where last three Annual General Meetings were held:

Year	Date	Time	Venue
2013	02.08.2013	12.00 Noon	Auditorium of Shavak Nanavati Technical Institute, N-Road, Bistupur, Jamshedpur-831001
2012	28.07.2012	12.00 Noon	Auditorium of Shavak Nanavati Technical Institute, N-Road, Bistupur, Jamshedpur-831001
2011	23.07.2011	12.00 Noon	Auditorium of Shavak Nanavati Technical Institute, N-Road, Bistupur, Jamshedpur-831001

The Special Resolutions passed in the previous three Annual General Meetings are as under:

AGM Date	Special Resolutions Passed
02.08.2013	1. Re-appointment of Mr. Sudhir L. Deoras as Managing Director for a period of three years from April 01, 2013 to March 31, 2016. 2. Payment of Commission to Non-Executive Directors of the Company.
28.07.2012	No special resolution was passed.
23.07.2011	Confirmation of Remuneration paid to Mr. Sudhir L. Deoras, Managing Director for the Financial Year 2010-11.

No Extra-ordinary General Meeting of the shareholders was held during the financial year.

No special resolution was put to vote through postal ballot in the previous three Annual General Meetings and no such special resolution is proposed to be passed through postal ballot at the ensuing AGM.

9. Disclosures

- i) There are no material significant related party transactions which have potential conflict with the interest of the Company at large. All transactions were at arms length basis. The related party transactions are given in the notes on the Balance Sheet and Statement of Profit & Loss on Page Nos. 82–85.
- ii) Register of Contracts is placed at each meeting of the Board of Directors as per the requirements of the Companies Act, 1956.
- iii) There are no instances of non-compliance by the Company or strictures imposed by the Stock Exchanges, SEBI or any other regulatory authority on any matter related to capital markets, during the last three years.
- iv) The Board has adopted the Risk Management framework and the same is being periodically reviewed by the Board & Company Management.
- v) The Company has complied with all the applicable Accounting Standards.
- vi) Management Discussion and Analysis Report forms a part of the Director's Report.
- vii) The Company has not raised any proceeds from public issue, rights issue, preferential issue, etc. during the year.
- viii) The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure ID to Clause 49 of the Listing Agreement with the Stock Exchanges:
 - a) The Company has set up a Remuneration Committee (Para 4 of this report).
 - b) The Company has moved towards a regime of unqualified financial statements.
 - c) Whistle Blower Policy

The functioning of the Whistle Blower Policy has been mentioned in (Para 3 of this report).

10. Reconciliation of Share Capital Audit

A qualified Practicing Company Secretary carried out the Share Capital Reconciliation Audit to reconcile the total issued and paid up capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. The audit confirms that the total issued/ paid up capital is in agreement with the total number of Shares in the physical form and the total number of dematerialized shares held with NSDL and CDSL.

11. CEO/CFO Certification

The Managing Director and Chief, Finance & Accounts, who heads the Finance function, have submitted the required Certificate to the Board at its meeting held on May 2, 2014, wherein the Audited Accounts of the Company for the financial year 2013-14 were considered.

12. Means of communication

The quarterly and annual results along with the segmental report are generally published in English daily newspaper(s) circulating in the whole or substantially the whole of India and in daily newspaper(s) published in Hindi the vernacular language of the region, in which the registered office of the company is situated and also displayed on the website of the Company www.trf.co.in shortly after its submission to the Stock Exchanges.

Presentations are made to institutional investors/ financial analyst upon their specific request(s), if any. Any significant event is first informed to the Stock Exchanges and then posted on the website of the Company.

13. General Shareholder Information

- i) AGM: Date, time and venue : August 2, 2014 at 12:00 Noon, at Auditorium of
SNTI, 'N' Road, Bistupur, Jamshedpur –831001
- ii) As required under Clause 49(IV)(G)(i), particulars of Directors seeking appointment/ reappointment are annexed to the Notice of the Annual General Meeting to be held on August 2, 2014.
- iii) Financial Calendar : April to March
Annual General Meeting : August
Dividend Payment : N.A
- iv) Date of book closure : Thursday, July 17, 2014 to Wednesday, July 23, 2014 (both days inclusive)
- v) Dividend Payment date : No dividend will be paid for F.Y. 2013-14
- vi) Listing on Stock Exchange : The Company's shares are listed on -
(1) BSE Ltd. (BSE)
(2) National Stock Exchange of India Ltd. (NSE)
(3) The Calcutta Stock Exchange Ltd. (CSE).

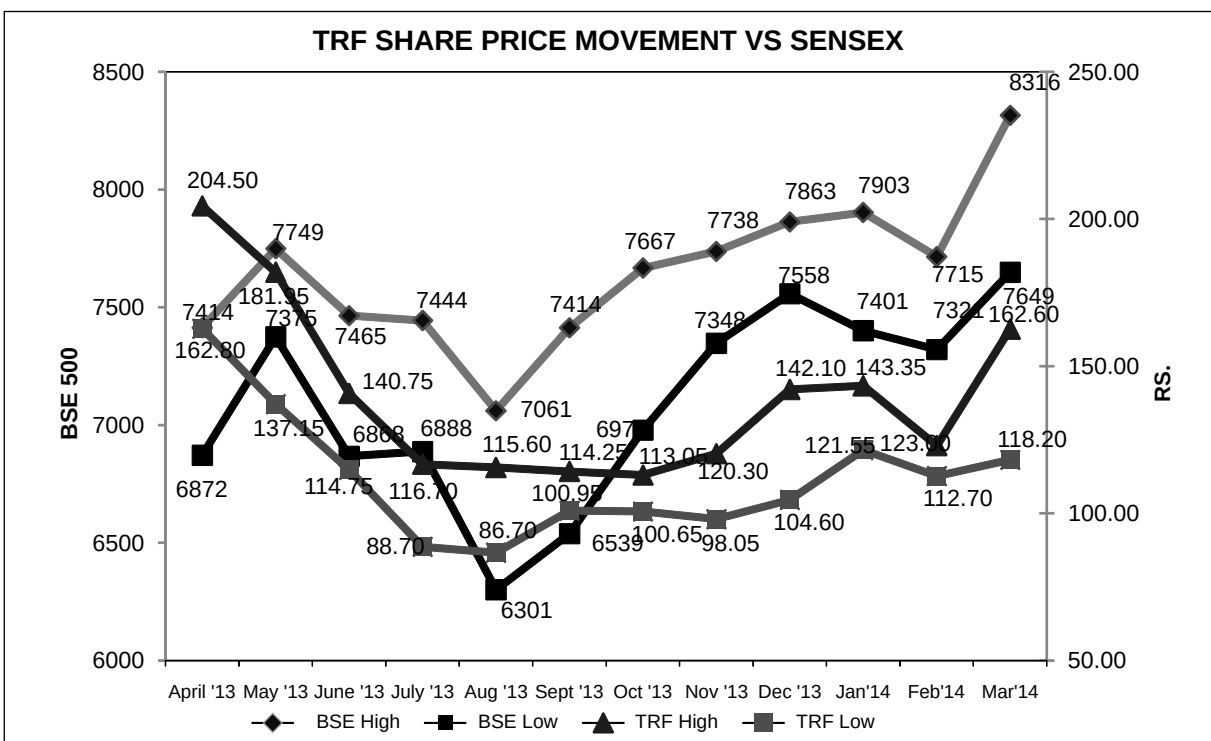
The Company has paid the annual listing fees to all the Stock Exchanges for the financial year 2013-14.

- vii) Stock Code : 505854 (BSE), TRF (NSE) & 10030045 (CSE)
- viii) Market Information : Market Price Data: High, Low (based on the closing prices) and volume during each month in last financial year, as under:

	BSE			NSE		
	High (Rs.)	Low (Rs.)	Volume (No. of Shares)	High (Rs.)	Low (Rs.)	Volume (No. of Shares)
Apr-13	204.50	162.80	7,82,548	204.00	162.15	16,29,788
May-13	181.95	137.15	83,733	182.10	138.20	96,033
Jun-13	140.75	114.75	51,307	139.70	114.30	86,291
Jul-13	116.70	88.70	48,958	116.35	88.00	1,35,399
Aug-13	115.60	86.70	78,203	115.90	87.05	1,44,019
Sep-13	114.25	100.95	46,771	113.60	101.50	73,433
Oct-13	113.05	100.65	2,11,341	113.00	100.15	3,47,463
Nov-13	120.30	98.05	9,08,901	120.05	98.10	16,66,174
Dec-13	142.10	104.60	20,85,969	142.70	104.65	40,71,089
Jan-14	143.35	121.55	10,05,985	143.10	122.15	19,10,522
Feb-14	123.00	112.70	3,54,071	123.25	113.05	6,12,272
Mar-14	162.60	118.20	27,62,085	162.80	117.75	55,64,415

ix) Performance of Company's Share Price

The performance of the Company's share prices in comparison to broad-based indices BSE 500 during the financial year 2013-14, is as under:



x) Registrar & Transfer Agents:

TSR Darashaw Pvt Limited
6-10, Haji Moosa Patrawala Ind Estate,
(Near Famous Studio) 20, Dr. E. Moses Road,
Mahalaxmi, Mumbai – 400 011

Contact person : Ms. Shehnaz Billimoria
Tel. no. : (022) 6656-8484
Fax no. : (022) 6656-8494
E-mail : csg-unit@tsrdarashaw.com
Website : www.tsrdarashaw.com

xi) Share transfer system:

a) Physical Form:

Share transfers in physical form can be lodged either at the Registered Office of the Company or with TSR Darashaw Pvt. Ltd, the Registrars & Transfer Agents, at the above-mentioned address or any of their branch offices, addresses of which are available on their website.

Transfers are normally processed within 15 days from the date of receipt, provided the documents are complete in all respects. Certain executives (including the Managing Director) are severally empowered to approve transfers.

b) Demat Form:

The Company has made arrangements to dematerialize its shares through National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and Company's ISIN No. is INE391D01019.

xii) a) Distribution of shareholdings as on 31.03.2014:

Shareholding of nominal value of	Shareholders		Share Amount	
Rs.	Number	% to total	Rs.	% to total
10 - 5000	20,289	91.37	2,22,54,050	20.22
5001 - 10000	1,086	4.89	81,43,390	7.40
10001 - 20000	458	2.06	68,34,640	6.21
20001 - 30000	147	0.66	37,74,120	3.43
30001 - 40000	63	0.29	22,42,400	2.04
40001 - 50000	37	0.17	17,17,290	1.56
50001 - 100000	76	0.34	54,51,430	4.96
100001 and above	49	0.22	5,96,26,800	54.18
TOTAL	22,205	100.00	11,00,44,120	100.00

b) Shareholding pattern as on 31.03.2014:

Sl. No.	Category	No. of Shares	%
I.	Promoters/Associate companies, etc.	37,74,974	34.30
II.	Financial Institutions	366,132	3.33
III.	Foreign Financial Institutions	Nil	Nil
IV.	OCBs/Foreign Companies	5,85,000	5.32
V.	Other Bodies Corporate/Trusts	11,05,099	10.04
VI.	Directors & Relatives	10	0.00
VII.	General Public	51,73,197	47.01
	TOTAL	1,10,04,412	100.00

c) Shareholders holding more than 1% of the Equity Share capital as on 31.03.2014:

Sl. No.	Name of shareholders	No. of shares held	%
1.	Tata Steel Limited	3,585,428	32.58
2.	Sundaram Mutual Fund	3,50,000	3.18
3.	Telent Limited, UK	3,67,500	3.34
4.	Madhu Vadera Jayakumar	2,50,360	2.28
5.	Litton Systems Inc., USA	2,17,500	1.98
6.	Kalimati Investment Co. Limited	1,87,586	1.70
7.	Anand Rathi Share and Stock Brokers Limited	1,48,006	1.34
	TOTAL	51,06,380	46.40

xiii) Dematerialization of shares and liquidity:

93.48% of the share capital of the Company had been dematerialized till March 31, 2014. The Company's shares are frequently traded on BSE and NSE.

xiv) The Company has no outstanding GDR/ADR/Warrants or any convertible instruments.

xv) Plant location : 11, Station Road, Burma Mines,
Jamshedpur – 831 007 (Jharkhand).

xvi) Address for correspondence : TRF LIMITED,
A TATA Enterprise,
11, Station Road, Burma Mines,
Jamshedpur – 831 007.
Tel.: (0657) 2345727/3046326
Fax: (0657) 2345732
E-mail: investors@trf.co.in
Web-site: www.trf.co.in

14. A Certificate from the Auditors of the Company, M/s. Deloitte Haskins & Sells, Chartered Accountants, regarding due Compliance of conditions stipulated in Clause 49 of the Listing Agreement is annexed hereto.

To
The Members
TRF LIMITED

DECLARATION OF COMPLIANCE TO THE CODE OF CONDUCT BY DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Whole time Director(s). In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors. Both these Codes are hosted on the Company's web site.

I confirm that the Company has in respect of the financial year ended March 31, 2014, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct, as applicable to them.

For the purpose of this declaration, Senior Management Team means the employees in the cadre of General Manager and above, including Company Secretary, as on March 31, 2014.

Place : Kolkata
Date : May 2, 2014

Sudhir L. Deoras
Managing Director

CERTIFICATE

TO THE MEMBERS OF TRF LIMITED

We have examined the compliance of conditions of Corporate Governance by **TRF LIMITED**, for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Clause and implementation thereof. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 302009E)

Abhijit Bandyopadhyay
(Partner)
(Membership No. 054785)

Kolkata, May 2 , 2014

Fund Flow Statement

Rs. in lac

	2013-14	2012-13	2011-12	2010-11	2009-10
SOURCES					
1 Cash Generated from Operation					
- Profit /(Loss) After Taxes	(2,523)	(7,951)	1,558	83	4,718
- Add: depreciation	416	444	381	253	(23)
Total	(2,107)	(7,507)	1,939	336	4,695
2 Increase in Loan Funds					
- Bank Borrowings	—	5,280	8,651	9,049	10,080
3 Decrease in working capital	—	3,498	—	—	—
4 Decrease in Miscellaneous Expenditure	—	—	—	—	10
5 Decrease in Investment	—	38	38	—	—
6 Decrease in Loan to subsidiaries	7,672	—	—	—	—
Total	5,565	1,309	10,628	9,385	14,785
UTILIZATION					
1 Capital expenditure (net)	161	438	834	1,538	735
2 Increase in Investment	7,596	—	—	3,020	5,308
3 Dividend including tax on dividend, if applicable	—	—	512	256	962
4 Increase in interest free loan to subsidiary	—	1,168	5,641	653	—
5 Increase in Working Capital	1,373	—	3,538	3,976	7,622
6 Deferred Tax (net) for the year	(4,370)	(297)	103	(58)	158
7 Adjusted in General Reserve	—	—	—	—	—
8 Decrease in Bank borrowings	805	—	—	—	—
Total	5,565	1,309	10,628	9,385	14,785

Summarised Balance Sheet as at March 31, 2014

	As at March 31, 2014	As at March 31, 2013
	Rs. in lac	Rs. in lac
WHAT THE COMPANY OWNED		
1 Fixed assets(Net)	4,303.72	4,295.31
2 Capital Work-in-progress	4.02	218.43
3 Non current assets	22,647.31	20,973.51
4 Current assets	68,972.42	80,787.45
5 Total Assets	95,927.47	106,274.70
WHAT THE COMPANY OWED		
6 Non current liabilities	21,183.36	17,564.16
7 Current liabilities	67,439.70	78,727.33
THE COMPANY'S NET WORTH		
8 Shareholders' Equity	7,304.41	9,983.21
(i.e the excess of what the Company owned over what the Company owed)		
Represented by		
Share Capital : Rs. 1,100.44 lakhs (Previous year Rs. 1,100.44 lakhs)		
Reserves : Rs. 6,203.97 lakhs (previous year : 8,882.77 lakhs)		
	95,927.47	106,274.70

Summarised Statement of Profit and Loss for the year 2013-14

	Year Ended Rs. in lac	Year Ended Rs. in lac
1 Income		
Net sales & services	69,622.12	64,660.64
Other income	1,147.38	926.02
Total income	70,769.50	65,586.66
2 Profit/(Loss) before Interest, Depreciation, Exceptional/ Extraordinary Items and Taxes	(542.86)	(3,367.89)
Less: Depreciation	483.68	498.38
Finance cost	4,390.01	3,941.88
3 Profit/(Loss) before Exceptional/Extraordinary items and taxes	(5,416.55)	(7,808.15)
Prior period items	—	—
4 Profit/(Loss) before taxes	(2,444.05)	(7,808.15)
5 Provisional for taxes/(write back)	78.58	143.34
6 Profit/(Loss) after taxes	(2,522.63)	(7,951.49)
7 Balance in Profit and Loss Account brought forward	(5,682.47)	2,269.02
8 Amount available for appropriation	(8,205.10)	(5,682.47)
9 Appropriations		
Proposed dividend	—	—
Tax on proposed dividend	—	—
General Reserve	—	—
Balance carried to Balance Sheet	(8,205.10)	(5,682.47)
	(8,205.10)	(5,682.47)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRF LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **TRF LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Emphasis of Matter

We draw attention to Note No.2.10 (ii) of the financial statements, with respect to total contract cost being ascertained based on the contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future. Owing to the technical nature of the contracts, we have relied on the management estimates relating to the technical aspects/components and other technical inputs/matters considered in the determination of expected cost to completion of the contracts.

Our report is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) We have 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).
 - (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No. 302009E)

Abhijit Bandyopadhyay
(Partner)
(Membership No. 054785)

Kolkata, May 2, 2014

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) **"Having regard to the nature of the Company's business / activities / results during the year, clauses (xiii) and (xiv) of paragraph 4 of the Order are not applicable to the Company."**
- (ii)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain assets have been verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion; do not constitute a substantial part of the fixed assets of the Company.
- (iii)
 - (a) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business. Further in our opinion and according to the information and explanations given to us, having regard to the nature of inventory of contracts in progress, the procedures of physical verification by way of site visits by the Management and certification of extent of work completion by competent persons, are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) According to the information and explanations given to us, the Company has neither granted not taken any loans secured or unsecured to/from companies, firms or other parties covered by the register maintained under section 301 of the Companies Act, 1956.
- (v) In our opinion and according to the information and explanations given to us, and having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining quotations, there is an adequate internal control system commensurate with size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal control system.
- (vi) In respect of contracts or arrangements entered in the register maintained in pursuance of section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to in section 301 that needed to be entered in the register maintained under the said section have been so entered.
 - (b) Where each of such transactions is in excess of Rs. 5 lakhs in respect of any party, having regard to our comment in paragraph (v) above, the transactions have been made at prices which are *prima facie* reasonable in respect to the prevailing market prices at the relevant time.
- (vii) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
- (viii) In our opinion, the internal audit functions carried out during the year by an external agency appointed by the management have been commensurate with the size of the Company and the nature of its business.
- (ix) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that *prima facie* the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(x) According to the information and explanations given to us in respect of statutory dues:

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. We are informed that the Employees State Insurance Act, 1948 is applicable to certain locations only and in respect of such locations, where contributions have been deducted/ accrued in the books of account by the Company, these have been regularly deposited during the year with the appropriate authorities. We are also informed that application seeking exemption from the provisions of Employees State Insurance Act, 1948 has been rejected for the calendar year 2001-2011 vide letter no 93 dated January 18, 2012. The Company has filed an appeal with the High court of Jharkhand. In the absence of any demand, the amount is not quantifiable.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2014 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-Tax, Sales Tax, Service Tax and Excise Duty which have not been deposited as on March 31, 2014 on account of disputes are given below:

Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (Rs. In Lakhs)
Income-Tax Laws	Income Tax	Appellate Authority-Tribunal Level	1991-96 and 2005-07	801.21
		Appellate Authority-Commissioner (Appeal)	2007-11	895.26
Sales Tax Laws	Sales Tax	Appellate Authority-Tribunal Level	2006-07	73.63
		Appellate Authority-Commissioner (Appeal)	2006-11	1,540.07
		Appellate Authority-Joint Commissioner (Appeal)	2005-11	18,968.19
		Appellate Authority-Deputy Commissioner (Appeal)	2005-06	8.88
		Appellate Authority-Asst. Commissioner (Appeal)	1996-99	70.21
Service Tax Laws	Service Tax	Appellate Authority-Tribunal Level	2002-12	875.26
		Appellate Authority-Additional Commissioner	2003-05	98.69
		Appellate Authority- Joint Commissioner	2002-07	19.69
Excise Duty Laws	Excise Duty	Appellate Authority-Asst. Commissioner (Appeal)	1992-93	10.17

There are no dues of Wealth Tax, Customs Duty and Cess which have not been deposited as on March 31, 2014 on account of any dispute.

- (xi) The accumulated losses of the Company at the end of the financial year did not exceed fifty percent of its net worth and the Company has not incurred cash losses during the current financial year covered by our audit. However, the Company had incurred cash losses in the immediately preceding financial year.
- (xii) In our opinion and according to information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions. There are no debentures issued by the Company.
- (xiii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and any other securities.

- (xiv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks or financial institutions are not *prima facie* prejudicial to the interests of the Company.
- (xv) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application.
- (xvi) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have, *prima facie*, not been used during the year for long-term investment.
- (xvii) The Company has not made preferential allotment of shares to parties and companies, covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.
- (xviii) The Company has not issued any debentures during the year.
- (xix) The Company has not raised funds by way of public issue during the year.
- (xx) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 302009E)

Abhijit Bandyopadhyay
(Partner)
(Membership No. 054785)

Kolkata, 02 May, 2014

Balance Sheet as at March 31, 2014

			Rs. in lac
	Note No.	As at March 31, 2014	As at March 31, 2013
(I) EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	1,100.44	1,100.44
(b) Reserves and surplus	4	6,203.97	8,882.77
		<u>7,304.41</u>	<u>9,983.21</u>
(2) Non-current liabilities			
(a) Long-term borrowings	5	15,049.87	16,164.46
(b) Deferred tax liabilities (net)	6	4,369.91	-
(c) Other long-term liabilities	7	421.00	120.03
(d) Long-term provisions	8	1,342.58	1,613.95
		<u>21,183.36</u>	<u>17,898.44</u>
(3) Current liabilities			
(a) Short-term borrowings	5	18,319.39	19,657.41
(b) Trade payables	9	23,318.98	26,212.75
(c) Other current liabilities	10	23,183.56	28,115.01
(d) Short-term provisions	8	2,617.77	4,407.88
		<u>67,439.70</u>	<u>78,393.05</u>
TOTAL EQUITY AND LIABILITIES		<u><u>95,927.47</u></u>	<u><u>106,274.70</u></u>
(II) ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	4,127.03	4,028.75
(ii) Intangible assets	12	176.69	266.56
(iii) Capital work-in-progress		4.02	218.43
		<u>4,307.74</u>	<u>4,513.74</u>
(b) Non-current investments	13	18,506.37	10,910.95
(c) Long-term loans and advances	14	4,133.74	10,394.09
(d) Other non-current assets	15	7.20	416.45
		<u>26,955.05</u>	<u>26,235.23</u>
(2) Current assets			
(a) Inventories and contracts in progress	16	8,807.32	15,995.17
(b) Trade receivables	17	48,662.01	52,376.11
(c) Cash and bank balances	18	1,369.09	3,557.09
(d) Short-term loans and advances	14	6,258.37	5,915.65
(e) Other current assets	19	3,875.63	2,195.45
		<u>68,972.42</u>	<u>80,039.47</u>
TOTAL ASSETS		<u><u>95,927.47</u></u>	<u><u>106,274.70</u></u>

See accompanying notes forming part of the financial statements

In terms of our report attached.

For DELOITTE HASKINS & SELLS
Chartered Accountants

Abhijit Bandyopadhyay
Partner

TARUN KR. SRIVASTAVA
Company Secretary

Place : Kolkata
Date : May 2, 2014

For and on behalf of the Board of Directors

SUBODH BHARGAVA
Chairman

SUDHIR L. DEORAS
Managing Director

Place : Kolkata
Date : May 2, 2014

Statement of Profit and Loss for the year ended March 31, 2014

Rs. in lac

	Note No.	Year Ended March 31, 2014	Year Ended March 31, 2013
(1) Revenue from operations (gross)	20	71,400.75	66,143.48
Less: Excise duty		1,778.63	1,482.84
Revenue from operations (net)		69,622.12	64,660.64
(2) Other income	21	1,147.38	926.02
(3) Total Revenue (1) + (2)		70,769.50	65,586.66
(4) EXPENSES			
(a) Cost of materials consumed	22	30,101.05	40,821.56
(b) Payment to sub-contractors		16,806.78	15,925.24
(c) Changes in inventories of finished products, work in progress and contracts in progress	23	6,240.18	(6,270.64)
(d) Employee benefit expense	24	5,559.67	6,759.65
(e) Finance costs	25	4,390.01	3,941.88
(f) Depreciation and amortisation expense	26	483.68	498.38
(g) Other expenses	27	12,604.68	11,718.74
Total Expenses (4)		76,186.05	73,394.81
(5) Loss before exceptional items and tax (3) - (4)		(5,416.55)	(7,808.15)
(6) Exceptional Items			
Profit on sale of non-current investments		2,972.50	-
(7) Loss before tax (5) + (6)		(2,444.05)	(7,808.15)
(8) Tax Expense (Refer Note. 28.15)			
(1) Current tax			
(i) Current tax relating to previous years		(4,267.40)	-
(2) Deferred tax			
(i) Deferred tax for current year		-	143.34
(ii) Deferred tax relating to previous years		4,345.98	-
Total tax expense (8)		78.58	143.34
(9) Loss for the year (7) - (8)		(2,522.63)	(7,951.49)
(10) Earnings per equity share:	29.03		
(1) Basic		(22.93)	(72.26)
(2) Diluted		(22.93)	(72.26)

See accompanying notes forming part of the financial statements

In terms of our report attached.

For DELOITTE HASKINS & SELLS
Chartered Accountants

Abhijit Bandyopadhyay
Partner

TARUN KR. SRIVASTAVA
Company Secretary

Place : Kolkata
Date : May 2, 2014

For and on behalf of the Board of Directors

SUBODH BHARGAVA
Chairman

SUDHIR L. DEORAS
Managing Director

Place : Kolkata
Date : May 2, 2014

Cash Flow Statement For the Year Ended March 31, 2014

	Year Ended March 31, 2014	Year Ended March 31, 2013
		Rs. in lac
A. Cash Flow from Operating activities:		
Loss before taxes	(2,444.05)	(7,808.15)
Adjustments for:		
Depreciation and amortisation expense	483.68	498.38
Bad debt/advances written off	-	11.68
Provision for doubtful debts and advances	1,906.18	1,582.08
Interest income	(661.68)	(629.66)
Dividend income from non-current investments	(34.00)	(67.50)
Profit on sale of non-current investment	(2,972.50)	-
Interest expenses	4,078.81	3,732.54
Exchange differences on long-term monetary items amortised from FCMITDA	798.39	526.71
(Profit)/loss on sale of fixed assets (net)	(8.82)	1.91
Unrealised exchange loss/(gain) on loans	(24.91)	4.59
Realised exchange loss/(gains) on loans	186.29	(3.48)
Operating profit/(loss) before working capital changes	1,307.39	(2,150.90)
Adjustments for (increase)/decrease in operating assets		
Inventories and contracts in progress	7,187.85	(7,617.75)
Trade receivables	1,898.50	(8,195.78)
Short-term loans and advances	(342.72)	0.82
Long-term loans and advances	(506.83)	(771.94)
Other current assets	(1,514.26)	1,416.53
Other non-current assets	409.25	(33.41)
Adjustments for increase/(decrease) in operating liabilities		
Trade Payables	(2,893.77)	2,260.93
Other current liabilities	(5,335.00)	13,361.94
Short-term provision	722.57	163.61
Other long-term liabilities	458.37	(112.47)
Long-term provisions	(271.37)	650.70
Cash generated/(used in) operations	1,119.98	(1,027.72)
Direct taxes refunded	464.02	1,343.72
Net cash generated from operating activities	1,584.00	316.00
B. Cash Flow from Investing activities:		
Purchase of fixed assets	(187.28)	(468.41)
Sale of fixed assets	14.71	1.30
Investments in subsidiary	(0.60)	(1,014.28)
Sale of non-current investments	3,206.25	-
Sale of current investments	-	37.50
Dividend received	34.00	67.50
Interest income received	600.43	13.26
Net cash from/(used in) investing activities	3,667.51	(1,363.13)
C. Cash Flow from Financing activities:		
Proceeds from /(Payments against) bills discounted (net)	(49.90)	9.05
Proceeds from long-term borrowings	1,350.00	8,000.00
Repayment of long-term borrowings	(3,125.05)	(2,217.44)
Proceeds from buyer's credit	1,297.64	1,507.46
Repayment of buyer's credit	(1,973.09)	(933.32)
Repayment of working capital borrowings (net)	(859.13)	(1,598.98)
Interest paid	(4,076.08)	(3,610.93)
Dividend paid (including Dividend Distribution Tax)	-	(511.57)
Net cash from /(used in) financing activities	(7,435.61)	644.27
Net increase/(decrease) in cash and cash equivalents	(2,184.10)	(402.86)
Cash and cash equivalents as at 1st April ¹	3,519.93	3,922.79
Cash and cash equivalents as at 31st Mar ¹	1,335.83	3,519.93

Notes: 1. Cash and cash equivalents represents cash and cheques on and balances with banks (Refer Note.18)
2. Figures in brackets represent outflows.

In terms of our report attached.

For DELOITTE HASKINS & SELLS
Chartered Accountants

Abhijit Bandyopadhyay
Partner

Place : Kolkata
Date : May 2, 2014

TARUN KR. SRIVASTAVA
Company Secretary

For and on behalf of the Board of Directors

SUBODH BHARGAVA
Chairman

SUDHIR L. DEORAS
Managing Director

Place : Kolkata
Date : May 2, 2014

Notes forming part of the financial statements

for the year ended 31st March, 2014

1. General corporate information

TRF Limited, ("the Company") incorporated in 1962 has its Registered Office at 11 Station Road, Burma Mines, Jamshedpur 831007. The Company is listed on the National Stock Exchange of India Limited, BSE Limited and The Calcutta Stock Exchange Limited. The Company undertakes turnkey projects of material handling for the infrastructure sector such as power, ports and industrial sector such as steel plants, cement, fertilisers and mining. The Company is also engaged in production of such material handling equipments at its manufacturing plant at Jamshedpur.

2. Summary of significant accounting policies

2.01 Basis of accounting

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs, Government of India) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. The financial statements are prepared under the historical cost convention on going concern and on accrual basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.02 Use of estimates

The presentation of financial statements in accordance with Generally Accepted Accounting Principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the year. Examples of such estimates include estimated cost of contracts, useful life of fixed assets, provision for doubtful debts, employee benefits, provision for taxes. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

2.03 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and taxes is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.04 Fixed assets

i) Tangible assets

Tangible assets are stated at cost less accumulated depreciation and impairment losses (if any). The cost of an asset includes the purchase cost of materials, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalised as part of the cost of the asset until such time that the asset is ready for its intended use. Subsequent expenditure relating to tangible assets are capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. The Company has adopted the provisions of para 46 / 46A of AS 11 The Effects of Changes in Foreign Exchange Rates, accordingly, exchange differences arising on restatement / settlement of long-term foreign currency monetary items relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

Depreciation on all tangible fixed assets are provided on a straight line basis applying the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

Notes forming part of the financial statements

for the year ended 31st March, 2014

2. Summary of significant accounting policies (Contd.)**2.04 Fixed assets****ii) Intangible assets**

Intangible assets are stated at acquisition cost, less accumulated amortisation and accumulated impairment (if any). The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

The Cost of Intangible assets are amortised on a straight line basis over their estimated useful life. The cost incurred to acquire any technical know-how is amortised over its estimated useful life not exceeding six years from the date of transfer of technical know how and cost incurred to acquire software is amortised on a straight line basis over an estimated useful life of five years.

iii) Capital work-in-Progress

Expenditure incurred on construction of assets which are not ready for their intended use are carried at cost less impairment (if any), under Capital work-in-progress. The cost includes the purchase cost of materials, including import duties and non-refundable taxes, any directly attributable costs and Interest on borrowings used to finance the construction of the asset.

2.05 Impairment of assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.06 Investments

Long term investments are carried at cost less provision for diminution other than temporary (if any) in value of such investments. Current investments are carried at lower of cost and fair value.

2.07 Lease

Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. The Company's significant operating leasing arrangements are for premises (Office, Residence etc.). The leasing arrangements which normally have a tenure of eleven months to six years are cancellable with a reasonable notice, and are renewable by mutual consent at agreed terms. The aggregate lease rent payable is charged as rent in the statement of profit and loss.

Notes forming part of the financial statements

for the year ended 31st March, 2014

2. Summary of significant accounting policies(Contd.)

2.08 Inventories

Raw materials, work-in-progress and finished products are valued at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes purchase price, non refundable taxes and duties and other directly attributable costs incurred in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Stores and spares are valued at cost comprising of purchase price, non refundable taxes and duties and other directly attributable costs after providing for obsolescence and other losses, where considered necessary.

Value of inventories are generally ascertained on the "weighted average" basis.

2.09 Cash and cash equivalents

Cash and cash equivalents comprises of cash and cheques on hand, remittances in transit, balances in current accounts and deposit accounts with banks having original maturity of three months or less from the date of deposit.

2.10 Revenue recognition

i) Sale of products

Revenue from the sale of products is recognised in the statement of profit and loss when the significant risks and rewards of ownership have been transferred to the buyer, which generally coincides with the delivery of goods to customers. Revenue includes consideration received or receivable, excise duty but net of discounts and other sales related taxes.

ii) Revenue from contracts

Revenue from contracts are recognised on percentage completion method specified under Accounting Standard (AS) 7 - Construction Contracts. The stage of completion is determined as a proportion that contract costs incurred for work performed up to the closing date bear to the estimated total costs of respective project. Profit (contract revenue less contract cost) is recognised when the outcome of the contract can be estimated reliably and for contracts valued up to Rs. 100 crores, profit is recognised when stage of completion is 40% or more, and for contracts valued more than Rs. 100 crores, profit is recognised either at 25% stage of completion or an expenditure of Rs. 40 crores whichever is higher. When it is probable that the total cost will exceed the total revenue from the contract, the expected loss is recognised immediately. For this purpose total contract costs are ascertained on the basis of contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future including for contingencies etc.

iii) Dividend and Interest income

Dividend income is recognised when the company's right to receive dividend is established. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

iv) Government grants

Incentives of revenue in nature from the government are recognised in the statement of profit and loss on accrual basis.

2.11 Employee benefits

i) Short term benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

Notes forming part of the financial statements

for the year ended 31st March, 2014

2. Summary of significant accounting policies (Contd.)**ii) Defined contribution plans**

Defined contribution plans are those plans where the Company pays fixed contributions to funds/schemes managed by independent trusts or authority. Contributions are paid in return for services rendered by the employees during the year. The company has no legal or constructive obligation to pay further contributions if the fund/scheme does not hold sufficient assets to pay/extend employee benefits. The Company provides Provident Fund facility to all employees, Superannuation benefits to selected employees. The contributions are expensed as they are incurred in line with the treatment of wages and salaries.

iii) Defined benefit plans

The Company provides gratuity, compensated absence to its employees and pension to retired whole-time directors. Gratuity liabilities are funded and managed through separate trust (except in case of Port and Yard Equipment Division in which the funds are managed Life Insurance Corporation of India). The liabilities towards leave encashment and pension to retired whole-time directors are not funded. The present value of these defined benefit obligations are ascertained by an independent actuarial valuation as per the requirements of Accounting Standards (AS) 15 - Employee Benefits. The liability recognised in the balance sheet is the present value of the defined benefit obligations on the balance sheet date less the fair value of the plan assets (for funded plans), together with adjustments for unrecognised past service costs. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. All actuarial gains and losses are recognised in the statement of profit and loss in full in the year in which they occur.

2.12 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred. Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets till such time the asset is ready for its intended use. 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 statement of profit and loss in the period in which they are incurred.

2.13 Earnings Per Share

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year 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 the equity shareholders for the year by the weighted average number of equity shares together with any dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.14 Foreign currency transactions

- i) Foreign currency transactions are recorded on initial recognition in the reporting currency i.e. Indian rupees, using the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in currencies other than the reporting currency (other than derivative contracts and net investment in non-integral foreign operations) and foreign exchange contracts remaining unsettled are remeasured at the rates of exchange prevailing at the balance sheet date. Exchange difference arising on the settlement of monetary items, and on the remeasurement of monetary items, other than long-term foreign currency monetary items are included in the statement of profit and loss.
- ii) Net investment in non-integral foreign operations is accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. Foreign currency monetary items (other than derivative contracts) of the Company's net investment in non-integral foreign operations

Notes forming part of the financial statements

for the year ended 31st March, 2013

2. Summary of significant accounting policies (Contd.)

outstanding at the balance sheet date are restated at the year-end rates. The exchange differences on restatement of long-term receivables from non-integral foreign operations that are considered as net investment in such operations are accounted as per policy for long-term foreign currency monetary items stated in para (iv) below until disposal of such net investment, in which case the accumulated balance in "Foreign Exchange Fluctuation Reserve" is recognised as income / expense in the same period in which the gain or loss on disposal is recognised

- iii) Foreign Currency forward contracts, other than those entered into to hedge foreign currency risk on unexecuted firm commitments or highly probable forecast transactions are treated as foreign currency transactions and accounted accordingly as per Accounting Standard (AS) 11 - Effects of changes in foreign exchange rates. The difference between the contract rate and spot rate on the date of transaction is recognised as premium/discount and recognised over the life of the contract. Exchange differences arising on account of remeasurement and gains and losses arising on account of roll over/cancellation of foreign currency forward contracts are recognised in the statement of profit and loss.
- iv) The Company has opted for accounting the exchange difference arising on reporting of long-term foreign currency monetary items in line with the paragraph 46A of Accounting Standards (AS) 11 - Effects of changes in foreign exchange rates. Accordingly exchange difference arising on the settlement and remeasurement of long-term foreign currency monetary items relating to the acquisition of depreciable capital asset are accounted by addition or deduction to the cost of the depreciable assets and depreciated over the remaining useful life of such assets. Exchange differences arising on settlement and remeasurement of other long-term foreign currency monetary items are accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the maturity period/upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss except in case of exchange differences arising on net investment in non-integral foreign operations, where such amortisation is taken to "Foreign Exchange Fluctuation Reserve" until disposal of the net investment.

2.15 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information are available and for which operating results are evaluated regularly by the executive management in assessing performance and to take decision on allocation of resources. The accounting policies adopted for the segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocable revenue/expenses/asset/liabilities".

2.16 Taxes on Income

i) Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income-tax Act, 1961.

ii) Deferred tax

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets against unabsorbed depreciation and carried forward loss under tax laws, are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets on other timing differences

Notes forming part of the financial statements

for the year ended 31st March, 2014

2. Summary of significant accounting policies (Contd.)

are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

iii) Minimum alternate tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is recognised as an asset in the Balance Sheet when there is convincing evidence that the Company will pay normal income tax during the specified period and it is probable that future economic benefit associated with it will flow to the Company.

iv) Current and Deferred tax is measured based on the provisions of tax laws and tax rates enacted or substantively enacted as at the Balance Sheet date.

2.17 Provisions, Contingent liabilities and Contingent assets

i) Provision

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

ii) Provision for warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures.

iii) Contingent liabilities and assets

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised. Contingent Assets are neither recognised nor disclosed.

2.18 Research and development expenses

Research and development costs (other than cost of fixed assets acquired) are charged to the Statement of Profit and Loss in the year in which they are incurred. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for fixed assets.

2.19 Derivative contracts

The Company enters into derivative contracts in the nature of foreign currency and interest rate swaps, option contracts to hedge its existing assets and liabilities and foreign currency forward contracts to hedge firm commitments and highly probable transactions. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions and Translations. All other derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

Notes forming part of the financial statements

for the year ended 31st March, 2014

3. Share capital

Authorised:

30,000,000 Equity Shares of Rs. 10 each

(31.03.2013: 30,000,000 Equity Shares of Rs. 10 each)

Issued, Subscribed and fully paid up:

11,004,412 Equity Shares of Rs. 10 each

(31.03.2013: 11,004,412 Equity Shares of Rs. 10 each)

As at 31.03.2014 Rs. lac	As at 31.03.2013 Rs. lac
3,000.00	3,000.00
3,000.00	3,000.00
1,100.44	1,100.44
1,100.44	1,100.44

Issued and subscribed capital excludes 635 equity share of Rs. 10 each reserved for allotment to shareholders who were not able to subscribe to the rights issue during the earlier years for genuine reasons or where the title is temporarily in dispute.

Reconciliation of Number of shares and amount outstanding at the beginning and end of the reporting period

	For the year ended 31.03.2014		For the year ended 31.03.2013	
	No. of Shares	Amount Rs. lac	No. of Shares	Amount Rs. lac
Equity shares				
Issued, subscribed and fully paid up:				
At beginning of the year	11,004,412	1,100.44	11,004,412	1,100.44
Issued during the year	-	-	-	-
At end of the year	11,004,412	1,100.44	11,004,412	1,100.44

3. Share capital

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	%	No. of Shares	%
Tata Steel Limited	3,585,428	32.58%	3,585,428	32.58%
Kalimati Investments Limited #	187,586	1.70%		
Zash Traders through its person acting in concert	-	-	724,686	6.59%
- Regal Investment and Trading Co Pvt Limited	-	-	307,786	2.80%
- Vidya Investment and Trading Co Pvt Limited	-	-	233,000	2.12%
- Nepean Investment and Trading Co Pvt Limited	-	-	183,900	1.67%

Kalimati Investments Limited is merged with Tata Steel Limited vide an order dated April 4, 2014 of the Bombay High Court with effect from January 1, 2013.

Notes forming part of the financial statements

for the year ended 31st March, 2014

3. Share capital (Contd.)

Aggregate number and class of shares allotted as fully paid up by way of bonus shares during the period of five immediately preceding years

	As at 31.03.2014	As at 31.03.2013
Equity Shares		
No. of Shares	5,502,206	5,502,206

During the year ended 31 March 2010, the Company had issued 5,502,206 equity shares of Rs. 10 each by way of fully paid up bonus shares in the ratio of 1 share for every share held by capitalisation of general reserve.

Rights, preferences and restrictions attached to shares

i) Equity Shares

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

4. Reserves and surplus

	As at 31.03.2014 Rs. lac	As at 31.03.2013 Rs. lac
Amalgamation reserve		
Opening and closing balance	61.81	61.81
General reserve		
Opening and closing balance	14,420.71	14,420.71
Foreign exchange fluctuation reserve		
Opening balance	367.47	47.31
Add: Effect of foreign exchange rate variations during the year	80.73	320.16
Closing balance [net of deferred tax Rs. 210.44 lac (31.03.2013: Rs. 176.49 lac)]	448.20	367.47
Foreign currency monetary item translation difference		
Opening balance	(284.75)	(226.94)
Add: Additions during the year	(1,035.29)	(584.42)
Less: Recognised in the statement of profit and loss during the year	798.39	526.61
Closing balance	(521.65)	(284.75)
Surplus/(Deficit) in Statement of Profit and Loss		
Opening Balance	(5,682.47)	2,269.02
Less: Loss for the year	(2,522.63)	(7,951.49)
Closing Balance	(8,205.10)	(5,682.47)
	6,203.97	8,882.77

Notes forming part of the financial statements

for the year ended 31st March, 2014

5. Borrowings

A. Secured

(a) Term loans

From banks

15,049.87

-

16,164.46

-

(b) Repayable on demand

From banks

a) Working capital demand loans

-

12,498.80

-

8,900.00

b) Cash credit

-

3,664.35

-

7,522.28

(c) Other loans

a) Buyer's credit

-

1,006.56

-

1,435.55

b) Bills discounted with SIDBI

-

1,149.68

-

1,199.58

Total secured borrowings

15,049.87

18,319.39

16,164.46

19,057.41

B. Unsecured

(a) Term loan from others

-

-

-

600.00

Total unsecured borrowings

-

-

-

600.00

Total borrowings

15,049.87

18,319.39

16,164.46

19,657.41

Notes forming part of the financial statements

for the year ended 31st March, 2014

5. Borrowings (Contd..)

Name of the bank/ instrument	As at 31.03.2014			As at 31.03.2013			Security
	Long-term	Short-term	Current Maturity (Refer Note 10)	Long-term	Short-term	Current Maturity (Refer Note 10)	
	Rs. lac	Rs. lac	Rs. lac	Rs. lac	Rs. lac	Rs. lac	
Secured Loans							
DBS Bank Limited	-	-	2,076.52	1,766.90	-	2,379.90	Secured by pari passu first charge on the fixed assets of the Company.
Dena Bank	2,875.00	-	1,187.50	2,525.00	-	750.00	Secured by pari passu first charge on all the fixed assets and second charge on all current assets of the Company.
Axis Bank Limited	4,701.54	-	313.04	4,538.97	-	-	Secured by pari passu first charge on the fixed assets of the Company, present and future except assets charged exclusively to Small Industries Development Bank of India (SIDBI), and second charge on all current assets of the Company.
Axis Bank Limited	6,000.00	-	-	6,000.00	-	-	Secured by pari passu first charge on all current assets of the Company, present and future except assets charged exclusively to Small Industries Development Bank of India (SIDBI), and second charge on all fixed assets of the Company.
Indusind Bank Limited	1,473.33	-	-	1,333.59	-	-	Secured by pari passu first charge on all fixed assets of the Company, except assets charged exclusively to Small Industries Development Bank of India (SIDBI), and second charge on all current assets of the Company.
Canara Bank	-	274.19	-	-	3,998.41	-	Secured by pari passu first charge on stock and book debts of the Company, and second charge on Plant and Machinery except assets charged exclusively to Small Industries Development Bank of India (SIDBI).
Bank of Baroda	-	5,022.68	-	-	5,079.72	-	Secured by pari passu charge on current assets of the Company and all the fixed assets of the Company except assets charged exclusively to Small Industries Development Bank of India (SIDBI).
Central Bank of India	-	907.83	-	-	941.94	-	Secured by pari passu charge on current assets of the Company in favour of the lending banks on reciprocal basis under multiple banking arrangements.
IDBI Bank Limited	-	-	-	-	1,500.00	-	Secured by pari passu charge on movable assets and second charge on fixed assets except assets charged exclusively to Small Industries Development Bank of India (SIDBI).
HDFC Bank Limited	-	7,498.80	-	-	2,400.00	-	Secured by pari passu first charge on current assets of the Company, both present and future and pari passu second charge on all the movable plant and machinery of the Company, both present and future except assets charged exclusively to Small Industries Bank of India (SIDBI).

Notes forming part of the financial statements

for the year ended 31st March, 2014

5. Borrowings (Contd..)

Name of the bank/ instrument	As at 31.03.2014			As at 31.03.2013			Security
	Long-term	Short-term	Current Maturity (Refer Note 10)	Long-term	Short-term	Current Maturity (Refer Note 10)	
	Rs. lac	Rs. lac	Rs. lac	Rs. lac	Rs. lac	Rs. lac	
Indian Bank	-	2,459.65	-	-	2,502.21	-	Secured by pari passu first charge on current assets of the Company, except stock of raw materials purchased under bill discounting (components) scheme of Small Industries Bank of India (SIDBI) and pari passu second charge on all fixed assets of the Company. Secured by hypothecation, ranking pari passu, of all tangible movable assets including in particular stocks of raw materials other than those purchased under bill discounting (components) scheme of Small Industries Development Bank of India (SIDBI), finished goods, work-in-progress, consumables, spares and other movable assets and book debts, outstanding and other receivables. Secured by pari passu first charge on specified asset
Buyer's Credit from Banks	-	1,006.56	-	-	1,435.55	-	
Bills Discounted with SIDBI	-	1,149.68	-	-	1,199.58	-	
Total secured borrowing	15,049.87	18,319.39	3,577.06	16,164.46	19,057.41	3,129.90	

Terms of Repayment as at 31st March, 2014

	Currency	INR Equivalent	Start date of loan repayment	Maturity date	Instalment amounts		Frequency of instalments	No. of Instalments.
		Rs. lac			Currency	Amount		
Secured Loans								
DBS Bank Limited								
USD 9M Loan	USD	677.24	22.01.2011	28.07.2014	USD	1,125,000	Half-Yearly	Eight
GBP 2.5M Loan	GBP	999.48	13.07.2012	13.07.2012	GBP	500,000	Annual	Three
				14.07.2013	GBP	1,000,000		
				14.07.2014	GBP	1,000,000		
GBP 1.0M Loan	GBP	399.80	13.07.2012	13.07.2012	GBP	200,000	Annual	Three
				14.07.2013	GBP	400,000		
				14.07.2014	GBP	400,000		
Dena Bank								
INR 300M Loan	INR	2,062.50	27.11.2012	26.08.2016	INR	18,750,000	Quarterly	Sixteen
INR 65M Loan	INR	650.00	27.11.2014	27.08.2018	INR	4,062,500	Quarterly	Sixteen
INR 13.5M Loan	INR	1,350.00	27.11.2014	27.08.2018	INR	8,437,500	Quarterly	Sixteen
Axis Bank								
USD 8.33M Loan	USD	5,014.58	23.03.2014	23.09.2018	USD	520,000	Quarterly	Fifteen
				23.02.2018	USD	530,000		
INR 600M Loan	INR	6,000.00	31.03.2016	31.12.2016	INR	15,000,000	Quarterly	Four
				31.03.2017	INR	37,500,000	Quarterly	Four
				31.03.2018	INR	45,000,000	Quarterly	Four
				31.03.2019	INR	52,500,000	Quarterly	Four
Indusind Bank								
USD 2.46M Loan	USD	1,473.33	13.07.2016	13.07.2017	USD	1,223,713	Annual	Two
		18,626.93						

Notes forming part of the financial statements

for the year ended 31st March, 2014

6. Deferred tax liabilities (Net)
Deferred tax liabilities

- (a) On account of difference in depreciation as per books and taxation
- (b) On account of exchange differences on long term loans
- (c) Retention money deferred (Refer note 28.15)

Deferred tax assets

- (a) Provision for doubtful debts
- (b) Provision for contingencies
- (c) Provision for warranty
- (d) Provision for compensated absence
- (e) Provision for estimated losses on onerous contracts
- (f) Unabsorbed business losses [#]

Deferred tax liabilities/(asset) - Net

[#] Recognised to the extent of tax on eligible deferment of retention.

7. Other long-term liabilities

- (a) Deposits from employees
- (b) Pension payable under employee separation scheme
- (c) Other long term liabilities

Total other long-term liabilities

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
340.75	335.92
200.42	176.50
7,738.60	-
8,279.77	512.42
54.04	193.44
21.47	16.95
45.91	42.60
183.20	205.45
212.62	53.98
3,392.62	-
3,909.86	512.42
4,369.91	-
23.65	29.35
23.85	50.11
373.50	40.57
421.00	120.03

Notes forming part of the financial statements

for the year ended 31st March, 2014

8. Provisions

	As at 31.03.2014		As at 31.03.2013	
	Long-term	Short-term	Long-term	Short-term
	Rs. lac	Rs. lac	Rs. lac	Rs. lac
(a) Provision for employee benefits				
(1) Post-employment defined benefits				
i) Post retirement pension	780.21	49.28	677.97	40.70
ii) Retirement gratuity	37.04	-	361.65	-
(2) Other long-term employee benefits				
Compensated absences	525.33	67.54	574.33	58.89
(b) Provisions for tax [Net of advance tax of Rs. 4,067.67 lac (31.03.2013 : Rs. 5,455.54 lac)]	-	1,497.91	-	4,010.59
(c) Provision for estimated losses on onerous contracts	-	854.48	-	166.40
(d) Provision for warranty (Refer Note 29.05)	-	148.56	-	131.30
Total Provisions	1,342.58	2,617.77	1,613.95	4,407.88

9. Trade Payable

	As at 31.03.2014	As at 31.03.2013
	Rs. lac	Rs. lac
(a) Creditors for supplies and services (Refer Note 28.04)	22,912.83	25,848.38
(b) Creditors for accrued wages and salaries	406.15	364.37
Total Trade Payables	23,318.98	26,212.75

10. Other current liabilities

(a) Current maturities of long-term debts (Refer Note 5)	3,577.06	3,129.90
(b) Interest accrued but not due on other borrowings	31.24	63.61
(c) Interest accrued and due on other borrowings	144.36	109.26
(d) Unpaid dividends	33.65	37.54
(e) Advances received from customers	9,301.82	11,515.68
(f) Dues to customers for contracts in progress	9,057.68	12,396.62
(g) Pension payable under employee separation scheme	11.92	13.76
(h) Creditors for other liabilities		
i) Payable for purchase of fixed assets	32.59	75.03
ii) Employee recoveries and employer contributions	400.54	394.78
iii) Statutory dues (excise duty, service tax, sales tax, TDS etc.)	268.48	240.51
iv) Others	324.22	138.32
Total other current liabilities	23,183.56	28,115.01

Notes forming part of the financial statements

for the year ended 31st March, 2014

11. Tangible assets										Rs. lac	
As at 31.03.2014											
	Building and Roads	Plant and Machinery	Electrical Installation	Laboratory Equipment	Furniture and fixtures	Office Equipments	Motor Vehicles	Total Tangible Assets			
Cost at beginning of the year	2,588.76	3,867.56	104.33	14.42	219.30	137.76	286.17	7,218.30			
Additions	193.64	253.51	-	-	1.39	17.88	-	466.42			
Disposals	7.56	5.34	4.98	-	-	-	56.10	73.98			
Cost at end of the year	2,774.84	4,115.73	99.35	14.42	220.69	155.64	230.07	7,610.74			
Depreciation at beginning of the year	511.79	2,248.42	74.53	7.49	118.51	68.44	160.37	3,189.55			
Charge for the year	81.53	224.14	3.47	0.52	10.65	9.10	32.84	362.25			
Disposals	7.56	5.34	4.95	-	-	-	50.24	68.09			
Depreciation at end of the year	585.76	2,467.22	73.05	8.01	129.16	77.54	142.97	3,483.71			
Net book value at beginning of the year	2,076.97	1,619.14	29.80	6.93	100.79	69.32	125.80	4,028.75			
Net book value at end of the year	2,189.08	1,648.51	26.30	6.41	91.53	78.10	87.10	4,127.03			
As at 31.03.2013											
	Building and Roads	Plant and Machinery	Electrical Installation	Laboratory Equipment	Furniture and fixtures	Office Equipments	Motor Vehicles	Total Tangible Assets			
Cost at beginning of the year	2,561.19	3,729.60	102.83	10.34	241.86	126.10	227.33	6,999.25			
Additions	27.57	137.96	1.50	5.43	12.85	25.99	65.34	276.64			
Disposals	-	-	-	1.35	35.41	14.33	6.50	57.59			
Cost at end of the year	2,588.76	3,867.56	104.33	14.42	219.30	137.76	286.17	7,218.30			
Depreciation at beginning of the year	409.31	2,032.67	69.82	8.36	141.64	68.42	134.09	2,864.31			
Charge for the year	102.48	215.75	4.71	0.45	11.81	13.07	31.35	379.62			
Disposals	-	-	-	1.32	34.94	13.05	5.07	54.38			
Depreciation at end of the year	511.79	2,248.42	74.53	7.49	118.51	68.44	160.37	3,189.55			
Net book value at beginning of the year	2,151.88	1,696.93	33.01	1.98	100.22	57.68	93.24	4,134.94			
Net book value at end of the year	2,076.97	1,619.14	29.80	6.93	100.79	69.32	125.80	4,028.75			

Note: 1. Tangible assets include the capital cost of Rs. 137.47 lac (31.03.2013: Rs 137.16 lac) with total accumulated depreciation of Rs 129.24 lac (previous year Rs. 129.02 lac), acquired for the recognised in-house research facility.

Notes forming part of the financial statements

for the year ended 31st March, 2014

12. Intangible assets

(Acquired)	Technical Know-how	Computer Software	Total
As at 31.03.2014	Rs. lac	Rs. lac	Rs. lac
Cost at beginning of the year	356.53	631.51	988.04
Additions	-	31.56	31.56
Cost at end of the year	356.53	663.07	1,019.60
Amortisation at beginning of the year	356.53	364.95	721.48
Charge for the period	-	121.43	121.43
Amortisation at end of the year	356.53	486.38	842.91
Net book value at beginning of the year	-	266.56	266.56
Net book value at end of the year	-	176.69	176.69
As at 31.03.2013			
Cost at beginning of the year	356.53	609.76	966.29
Additions	-	21.75	21.75
Cost at end of the year	356.53	631.51	988.04
Amortisation at beginning of the year	356.53	246.19	602.72
Charge for the period	-	118.76	118.76
Amortisation at end of the year	356.53	364.95	721.48
Net book value at beginning of the year	-	363.57	363.57
Net book value at end of the year	-	266.56	266.56

Note: 1. Intangible assets include capital costs of Rs 26.56 lac (previous year : Rs 9.50 lac) with total accumulated depreciation of Rs 20.59 lac (previous year Rs. 9.50 lac) respectively, acquired for the recognised in-house research facility.

for the year ended 31st March, 2014

Trade Investments (At Cost)

a). Subsidiaries

i) Adithya Automotive Applications Private Limited, India
3,570,000 (31.03.2013: 3,570,000) Shares of Rs.10 each

- ii) TRF Singapore Pte Limited, Singapore
50,288,324 (31.03.2013: 32,449,000) Shares of SGD 1 each
- iii) TRF Holdings Limited, Singapore
1 (31.03.2013: 1) Share of SGD 1 each

Quoted

- i) HDFC Bank Limited
2,500 (31.03.2013: 2,500) Shares of Rs.2 each

ii) Tata Projects Limited
Nil (31.03.2013: 67,500) shares of Rs.100 each

- | | | |
|------|--|--|
| iii) | Rujuvalika Investments Limited | 137,500 (31.03.2013: 137,500) Shares of Rs.10 each |
| iv) | Twin Star Jupiter Co-operative Housing Society Limited | 5 (31.03.2013: 5) Shares of Rs.50 each |
| v) | Nicco Jubilee Park Limited | 30,000 (31.03.2013: 30,000) Shares of Rs.10 each |
| | Less: Provision for diminution in value | |

a) Aggregate amount of Quoted investments
Market value of quoted investments

- b) Aggregate amount of Unquoted investments

- c) Aggregate provision for diminution value of non-current investments

* represent values below Rs.1,000

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Notes forming part of the financial statements

for the year ended 31st March, 2014

14. Loans and advances

	As at 31.03.2014		As at 31.03.2013	
	Long-term	Short-term	Long-term	Short-term
	Rs. lac	Rs. lac	Rs. lac	Rs. lac
(a) Capital advances				
Considered good	1.66	-	140.39	-
Considered doubtful	90.58	-	-	-
	92.24		140.39	
Less: Provision for doubtful advances	90.58	-	-	-
	1.66	-	140.39	-
(b) Security deposits				
Considered good	107.89	201.41	128.48	152.85
Considered doubtful	-	67.12	-	67.12
	107.89	268.53	128.48	219.97
Less: Provision for doubtful deposits	-	67.12	-	67.12
	107.89	201.41	128.48	152.85
(c) Advance with public bodies				
i) Service tax	-	766.14	-	643.86
ii) Excise	2.50	85.66	2.50	143.07
iii) Sales tax/Value added tax				
Considered good	22.94	2,192.77	7.58	1,975.83
Considered doubtful	-	27.19	-	30.15
	22.94	2,219.96	7.58	2,005.98
Less: Provision for doubtful advances	-	27.19	-	30.15
	22.94	2,192.77	7.58	1,975.83
(d) Loans and advances to related parties	-	228.51	7,828.57	179.26
(e) Other loans and advances				
i) Prepayments	813.03	529.82	320.53	372.56
ii) Advance to suppliers	-	2,203.59	-	2,294.40
iii) Others	680.40	50.47	751.42	153.82
(f) Advance income tax [Net of Provision for tax Rs 2,503.57 lac (31.03.2013 :Rs.2,869.83 lac)]	2,505.32	-	1,214.62	-
Total loans and advances	4,133.74	6,258.37	10,394.09	5,915.65
Classification of loans and advances				
Unsecured, considered good	4,133.74	6,258.37	10,394.09	5,915.65
Doubtful	90.58	94.31	-	97.27
Gross loans and advances	4,224.32	6,352.68	10,394.09	6,012.92

Notes forming part of the financial statements

for the year ended 31st March, 2014

15. Other non-current assets
Trade Receivables (Unsecured, considered good)

Long-term trade receivables

16. Inventories and contracts in progress

a) Inventories

- i) Raw materials (At lower of cost and net realisable value)
- ii) Work-in-progress (At lower of cost and net realisable value)
- iii) Finished products (At lower of cost and net realisable value)
- iv) Stores and spare parts (At or lower than cost)
- v) Loose tools (At or lower than cost)

b) Contracts in Progress

Total inventories and contracts in progress
Included above, goods-in-transit:

Raw materials

Note (i): Details of work-in-progress

- i) Idler and Idler spares
- ii) Pulley
- iii) Screen and screen spares
- iv) Crusher and crusher spares
- v) Tippler and tippler spares
- vi) Others

Note (ii): Details of finished products

- i) Idler rollers
- ii) Components of Idler rollers
- iii) Vibrating screens etc.,
- iv) Components of vibrating screens etc.,
- v) Sectional and mine conveyors
- vi) Others
- vii) Excise duty

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
7.20	416.45
7.20	416.45
2,639.58	3,569.64
2,246.75	2,934.52
863.08	684.16
93.11	105.24
48.63	54.11
2,916.17	8,647.50
8,807.32	15,995.17
6.79	121.52
391.62	181.29
101.26	419.86
286.82	194.16
185.73	545.31
231.50	242.61
1,049.82	1,351.29
2,246.75	2,934.52
130.27	154.33
50.32	11.75
82.71	120.11
68.10	14.73
48.65	78.10
376.71	204.63
106.32	100.51
863.08	684.16

Notes forming part of the financial statements

for the year ended 31st March, 2014

17. Trade receivables

Current trade receivable

- (a) Outstanding for a period of exceeding six months
(from the date they were due for payment)
- Considered good
- Considered doubtful
- Less: Provision of doubtful debts

- (b) Others (Refer note below)

Considered good

Net current trade receivables

Classification of current trade receivables

Unsecured, considered good

Unsecured, considered doubtful

Total current trade receivables

Note:

Others include Rs. 26,274.58 lac (31.03.2013 Rs. 26,663.38 lac) of retention money which are recoverable on completion of the projects as per the terms of the relevant contract. The retention money of Rs. 4,782.58 lac (31.03.2013 Rs. 7,790.46 lac) are recoverable within the operating cycle of the Company but due after a period of one year.

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
6,666.08	7,018.87
4,849.76	3,034.16
(4,849.76)	(3,034.16)
6,666.08	7,018.87
41,995.93	45,357.24
48,662.01	52,376.11
48,662.01	52,376.11
4,849.76	3,034.16
53,511.77	55,410.27

18. Cash and bank balances

Cash and cash equivalents

- (a) Cash on hand
- (b) Cheques on hand
- (c) Balances with banks

In current accounts

Total cash and cash equivalents

Other bank balances

In dividend accounts

Total cash and bank balances

Included above

- (i) Earmarked balance for unpaid dividend

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
15.54	19.56
172.84	150.82
1,147.45	3,349.55
1,335.83	3,519.93
33.26	37.16
1,369.09	3,557.09
33.26	37.16
2,320.34	1,567.81
784.09	618.17
101.73	9.47
669.47	-
3,875.63	2,195.45

19. Other current assets

- (a) Unbilled revenue
- (b) Receivable from related parties
- i) Interest accrued on loans and advances
- ii) Guarantee fees
- (c) Others

Total Other current assets

Note:

Unbilled revenue includes Rs. Nil (31.03.2013 Rs. 73 lac) of retention money which are recoverable on completion of the projects as per the terms of the relevant contract. The retention money are recoverable within the operating cycle of the Company but due after one year.

Notes forming part of the financial statements

for the year ended 31st March, 2014

20. Revenue from operations

- (a) Revenue from project business
- (b) Sale of products
- (c) Sale of services

Revenue from Operations (gross)

Less: Excise duty

Revenue from Operations (net)

Note :

Revenue from operations (net)

- (a) Idler rollers
- (b) Components of idler rollers
- (c) Vibrating screens etc.,
- (d) Components of vibrating screens etc.,
- (e) Sectional and mine conveyors
- (f) Tipplers
- (g) Crushers
- (h) Components of crushers
- (i) Material handling equipments including stackers, reclaimers, stacker-cum-reclaimers, shiploaders/unloaders, general conveyors, ore/coal handling plants and wagon loaders
- (j) Others
- (k) Services

21. Other income

- (a) Interest income
 - i) From non-current investments
 - ii) On income tax refunds
 - iii) From loans to subsidiary
 - iv) Others
- (b) Dividend income from non-current investments
- (c) Guarantee fee received from subsidiaries
- (d) Net gain on sale of fixed assets
- (e) Liabilities/provision no longer required written back
- (f) Miscellaneous income

Total other income

For the Year ended 31.03.2014	For the Year ended 31.03.2013
Rs. lac	Rs. lac
49,126.07	48,040.74
19,505.90	15,307.56
2,768.78	2,795.18
71,400.75	66,143.48
1,778.63	1,482.84
69,622.12	64,660.64
1,645.82	3,016.95
1,328.09	1,345.50
1,314.49	1,902.85
2,136.39	1,657.07
4,333.65	3,668.81
1,255.26	1,044.15
1,300.19	1,456.27
1,305.62	974.93
48,424.28	45,087.61
3,809.56	1,711.32
2,768.77	2,795.18
69,622.12	64,660.64
-	1.24
617.21	-
43.94	627.64
0.53	0.78
34.00	67.50
168.65	-
8.82	-
37.13	99.37
237.10	129.49
1,147.38	926.02

Notes forming part of the financial statements

for the year ended 31st March, 2014

22. Cost of materials consumed

Raw material consumed

- (a) Opening stock
- (b) Add: Purchases

- (c) Less: Closing stock

Total raw material consumed

Raw material consumed comprises

- (a) Steel
- (b) Forgings
- (c) Tubes
- (d) Bearings
- (e) Beltings
- (f) Others *

* Represents electrical and bought out components

Notes:

- i) Consumption figures disclosed above are inclusive of adjustments for excess or shortage found during physical verification, write off of unserviceable items etc.,
- ii) Consumption of steel disclosed above is net of credit against sale of scrap of Rs. 1,029.23 lac (Previous year: Rs.823.08 lac)

23. Changes in inventories of finished products and work in progress and contracts in progress

Inventories and contracts in progress at the beginning of the year

- (a) Finished products
- (b) Work-in-progress
- (c) Contracts in progress

Inventories and contracts in progress at the end of the year

- (a) Finished products
- (b) Work-in-progress
- (c) Contracts in progress

Net (increase)/decrease

For the Year ended 31.03.2014	For the Year ended 31.03.2013
Rs. lac	Rs. lac
3,569.64	2,246.91
29,170.99	42,144.29
32,740.63	44,391.20
2,639.58	3,569.64
30,101.05	40,821.56
7,976.05	13,407.29
614.16	966.97
744.56	1,106.19
490.60	812.71
127.21	110.75
20,148.47	24,417.65
30,101.05	40,821.56

Year Ended 31.03.2014	Year Ended 31.03.2013
Rs. lac	Rs. lac
684.16	596.90
2,934.52	2,432.16
8,647.50	2,966.48
12,266.18	5,995.54
863.08	684.16
2,246.75	2,934.52
2,916.17	8,647.50
6,026.00	12,266.18
6,240.18	(6,270.64)

Notes forming part of the financial statements

for the year ended 31st March, 2014

24. Employee benefits expense

- (a) Salaries and wages, including bonus
- (b) Company's contribution to provident and other funds
- (c) Workmen and staff welfare expenses

Total employee benefits expense
25. Finance costs

- (a) Interest expense
- (b) Bank charges
- (c) Net loss on foreign currency transactions and translation

Total finance costs
26. Depreciation and amortisation expense

- (a) Depreciation and amortisation for the year on tangible assets as per Note 11
- (b) Depreciation and amortisation for the year on Intangible assets as per Note 12

Total depreciation and amortisation expense
27. Other expenses

- (a) Consumption of stores, spare parts and loose tools
- (b) Repairs to buildings
- (c) Repairs to plant and machinery
- (d) Repairs to others
- (e) Power and fuel
- (f) Rent
- (g) Rates, taxes and licenses
- (h) Taxes and duties (net)
 - i) Sales tax
 - ii) Excise duty
 - iii) Service tax
- (i) Insurance charges
- (j) Freight and handling charges
- (k) Service charges (collection and order procurement)

For the Year ended 31.03.2014	For the Year ended 31.03.2013
Rs. lac	Rs. lac
4,535.21	5,231.03
576.90	998.82
447.56	529.80
5,559.67	6,759.65
4,078.81	3,639.84
311.20	209.34
-	92.70
4,390.01	3,941.88
362.25	379.62
121.43	118.76
483.68	498.38
588.77	609.82
399.62	514.39
249.08	258.97
51.52	35.78
302.61	241.05
489.64	469.98
215.61	384.82
461.37	564.57
719.94	487.53
745.99	940.92
185.89	202.74
1,779.27	1,642.43
561.03	544.91

Notes forming part of the financial statements

for the year ended 31st March, 2014

27. Other expenses (Contd.)

- (l) Traveling, conveyance and motor car running expenses
- (m) Professional fees
- (n) Provision for doubtful debts, advances and deposits
- (o) Bad debts written off
- (p) Provision for estimated losses on onerous contracts
- (q) Provision for warranty expenses
- (r) Other general expenses
 - i) Loss on foreign currency transactions (net)
 - ii) Directors' fee
 - iii) Liquidated damages
 - iv) Loss on sale of tangible fixed assets (net)
 - v) Telephone expenses
 - vi) Auditors remuneration and out-of-pocket expenses
 - As Auditors - statutory audit
 - For Taxation matters
 - For Other services
 - Reimbursement of out-of-pocket expenses
 - vii) Cost auditor's remuneration
 - viii) Others

Total other expenses

For the Year ended 31.03.2014	For the Year ended 31.03.2013
Rs. lac	Rs. lac
766.42	866.64
1,201.25	916.31
1,906.18	1,582.08
-	11.68
688.08	166.40
17.25	-
772.23	484.10
9.60	8.10
-	27.14
-	1.91
111.58	115.44
56.00	51.00
4.00	4.00
10.60	7.91
4.75	7.62
2.50	2.50
303.90	568.00
12,604.68	11,718.74

Notes forming part of the financial statements

for the year ended 31st March, 2014

28. Additional information to the Financial Statements

28.01 Contingent Liabilities

- a) Sales tax matters in dispute relating to issues of applicability and classification #

In respect of the above sales tax matters in dispute, the Company has deposited Rs.15.37 lac (31.03.2013: Rs.Nil) against various orders, pending disposal of the appeals. This amount is included under Note 14 - Long term loans and advances.

- b) Excise duty and service tax matters in dispute relating to applicability and classification

In respect of the above excise and service tax matters in dispute, the Company has deposited Rs.2.50 lac (31.03.2013: Rs.2.50 lac) against various orders, pending disposal of the appeals. This amount is included under Note 14 - Long term loans and advances.

- c) Income tax matters in dispute

- d) Corporate guarantee given on behalf of subsidiary companies

- i) York Transport Equipment (Asia) Pte Limited -
USD 22.5 m (31.03.2013: USD 22.5 m)

Loan outstanding against the guarantee

- ii) Dutch Lanka Trailer Manufacturers Limited -
USD 1.5 m (31.03.2013: USD 1.5m)

Loan outstanding against the guarantee

- e) Claims against the Company not acknowledged as debt
(Primarily of liquidated damages and other claims made by customers)

- f) Others

Future cash outflows in respect of above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
20,593.37	20,269.89
1,006.32	1,004.91
1,543.90	1021.57
13,544.96	12,260.09
10,792.41	9,663.76
903.00	817.34
185.71	817.34
3,502.48	4,587.84
33.42	33.42

Includes an amount of Rs. 18,388.57 lac (31.03.2013 Rs. 18,388.57 lac) towards differential tax and penalty charged by the Assessing Officer for the financial year 2005-06 to 2008-09. The Assessing Officer had originally passed the assessment order based on the returns filed by the Company. Subsequently based on an objection raised by the Accountant General's Office during their audit the assessing officer has raised this demand on 28.01.2013 for additional tax of Rs. 5,985.90 lac and penalty of Rs.12,402.67 lac. The additional tax is computed by the Assessing Officer based on the total turnover reported in the annual audited financial statements. The difference in the turnover as per the annual financial statements and the returns is on account of difference in revenue recognised as per Accounting Standard (AS) - 7 Construction Contracts vis-a-vis bills actually raised on the customers and turnover from turnkey contracts which are executed outside the state of Jharkhand for which state of Jharkhand has no jurisdiction. The returns for those turnkey contracts are filed with the local VAT authorities of the respective states under the respective VAT laws. The assessing officer's contention of suppression in turnover is blatantly incorrect and hence the Company filed appeal with the Joint Commissioner. The Joint Commissioner after hearing the Company has passed orders remanding back the case for reassessment to the assessment officer. Based on the order the assessing officer has initiated reassessment procedures and the Company has filed its reply/documents called by the Assessing Officer. Neither company has made any payment nor department has claimed any payment against above impugned demand in respect of appeal order.

Notes forming part of the financial statements

for the year ended 31st March, 2014

28.02 The Company's application seeking exemption from the provisions of the Employees State Insurance Act, 1948 has been rejected by the Department of Labour, Government of Jharkhand. The Company has filed an appeal with the High Court of Jharkhand at Ranchi against the order. In the absence of any demand from the authorities the amount of liability is not quantifiable.

28.03 Capital and other commitments

a) Capital commitments

Estimated value of contracts remaining to be executed on capital account

b) Others

The Company has agreed to provide contingent support to its wholly owned direct subsidiaries (WOS), TRF Singapore Pte Limited and TRF Holdings Pte Limited to meet their liabilities of SGD 1,794,388 (31.03.2013: SGD 17,839,324) and USD 18,623,071 (31.03.2013: USD 18,626,663) respectively, only in the event of the WOS being unable to generate the required liquidity internally or externally.

28.04 Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

a) Principal amount remaining unpaid to the suppliers as at the end of the accounting year

b) Interest due thereon remaining unpaid to suppliers as at the end of the accounting year

c) Interest paid in terms of Section 16 along with the amount of payments made to suppliers beyond the appointment day during the year

d) Interest due and payable for the period of delays in making payment (which have been paid beyond the appointment date during the year but without adding interest specified under the act)

e) Interest accrued and remaining unpaid at the end of the accounting year

The above information have been disclosed to the extent such suppliers could be identified by the management on the basis of information available with the Company and the same has been relied upon by the auditors.

28.05 Disclosure as per Clause 32 of the Listing Agreement with the Stock Exchanges

Loans and advances in the nature of loans given to subsidiary where repayment schedules are not specified

TRF Singapore Pte Limited, Singapore

Balance as at the end of the year

Maximum outstanding during the year

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
173.66	386.37
106.79	421.11
6.49	13.82
-	-
22.24	11.58
18.67	48.83
-	7,828.57
-	7,828.57

Notes forming part of the financial statements

for the year ended 31st March, 2014

28.06 Details of derivative instruments outstanding at the end of the year

The Company has entered into the following derivative instruments. All the swaps and forward contracts are accounted for as per accounting policies stated in Note 2 above.

	Amount in Foreign Currency (In lacs)		As at	As at
	As at	As at	31.03.2014	31.03.2013
	31.03.2014	31.03.2013	Rs. lac	Rs. lac
a) The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations. The Company does not use forward contracts for speculative purposes.				
i) Number of contracts outstanding (Nos)	16	11		
ii) Amount in Foreign Currency and INR equivalent				
a. US Dollar	2.45	29.06	147.78	1,595.87
b. Euro	10.54	0.90	871.40	64.26
c. Japanese Yen	44.70	71.25	30.76	41.08
b) The Company also uses derivative contracts other than forward contracts to hedge the interest rate risk. The Company does not use such derivative contracts for speculative purposes.				
i) Number of contracts outstanding (Nos)	3	4		
ii) Amount in Foreign Currency and INR equivalent				
a. US Dollar	119.02	77.60	7,165.24	4,228.15
c) The Company also uses derivative contracts other than forward contracts to hedge the currency risk. The Company does not use such derivative contracts for speculative purposes.				
i) Number of contracts outstanding (Nos)	7	3		
ii) Amount in Foreign Currency and INR equivalent				
a. US Dollar	162.87	43.85	9,804.76	2,389.14

Notes forming part of the financial statements

for the year ended 31st March, 2014

28.07 Details of unhedged foreign currency exposure outstanding at the end of the year

	Amount in Foreign Currency (In lacs)		As at 31.03.2014	As at 31.03.2013
	As at 31.03.2014	As at 31.03.2013	Rs. lac	Rs. lac
a) Foreign currency receivables on account of the following:				
i) Export of goods and services	20.96	3.51	1,261.69	190.99
ii) Advances towards import of goods and services	1.09	2.36	65.83	128.54
iii) Advance to TRF Singapore Holdings Pte Limited - Subsidiary	-	143.68	-	7,829.11
iv) Interest receivable on the above advance	14.71	11.44	885.82	627.64
b) Foreign currency payable on account of the following:				
i) Import of goods and services	22.54	16.00	1,356.64	871.85
ii) Loans payable	0.09	191.58	54.04	10,439.21
iii) Interest payable	-	1.00	0.14	54.50
iv) Payable to Hewitt Robins International Holding Limited - Subsidiary	0.77	0.89	46.25	48.77

28.08 Value of Imports (CIF)

	For the Year ended 31.03.2014	For the Year ended 31.03.2013
a) Raw materials	2,754.13	1,915.84
b) Stores and Spares parts	37.70	37.38

28.09 Earnings in Foreign Currency

FOB Value of export of goods and services
(Includes deemed export of Rs. 24,137.22 Lac
(Previous year Rs. 39,310.59 Lac)

26,281.09 39,314.37

28.10 Expenditure in Foreign Currency (On payment basis)

a) Interest	402.59	521.49
b) Foreign travel	22.51	36.11
c) Engineering support service	128.80	32.77
d) Professional fees	-	5.77
e) Royalty	56.18	-
f) Others	-	2.42

Notes forming part of the financial statements

for the year ended 31st March, 2014

28.11 Amount remitted in Foreign Currency on account of dividends

- a) Number of non-resident shareholders (Nos)
- b) Number of shares (Nos)
- c) Amount of Dividend remitted
- d) Dividend pertaining to the Financial year

Note:

The information disclosed above are based on the amounts directly remitted in foreign currency by the Company to the non-resident shareholders. The Company does not have any information on the amounts repatriated in foreign currency by the non-resident share holders out of the dividends remitted by the Company to their local bank accounts in Indian Rupees.

For the Year ended 31.03.2014	For the Year ended 31.03.2013
Rs. lac	Rs. lac
-	1
-	217,500
-	8.70
-	2011-12

Details of dividend remitted to non-resident shareholders (including the amounts credited to their local bank accounts in Indian Rupees).

- a) Number of non-resident shareholders (Nos)
- b) Number of shares (Nos)
- c) Amount of Dividend remitted (Rs. in lac)
- d) Dividend pertaining to the Financial year

For the Year ended 31.03.2014	For the Year ended 31.03.2013
-	261
-	747,308
-	29.75
-	2011-12

28.12 Excise duty (including education cess and higher education cess) included under other expenses

- a) Excise duty on finished goods not assessed to duty
- b) Excise duty on construction contracts inclusive of duties
- c) Excise duty on warranty dispatches, differential duty etc.

For the Year ended 31.03.2014 Rs. lac	For the Year ended 31.03.2013 Rs. lac
5.82	9.79
668.49	449.65
45.63	28.09
719.94	487.53

28.13 Consumption of Imported and Indigenous Materials

- a) Raw materials components consumed
 - Imported
 - Indigenous
- b) Stores and spare parts consumed
 - Imported
 - Indigenous

For the Year ended 31.03.2014		For the Year ended 31.03.2013	
%	Rs. lac	%	Rs. lac
9.19%	2,766.34	4.02%	1,639.43
90.81%	27,334.71	95.98%	39,182.13
100.00%	30,101.05	100.00%	40,821.56
11.67%	68.73	5.18%	31.58
88.33%	520.04	94.82%	578.24
100.00%	588.77	100.00%	609.82

Notes forming part of the financial statements

for the year ended 31st March, 2014

- 28.14** No provision has been made for liquidated damages and other claims by certain customers, wherever these have been refuted by the Company and the management expects to settle them without any loss. Pending settlement of these claims, they have been disclosed under contingent liabilities as Claims against the Company not acknowledged as debt. [Refer Note 28.01.(e)]. The related sundry debtors balances have been considered in the financial statements as fully recoverable.
- 28.15** The Company is offering the retention money to income tax on due basis from the financial year 2005-06 onwards. Out of prudence the Company was providing for the current tax without considering this deferment. The Company's stand of deferring the retention money has been accepted by the tax authorities based on the legal decisions which came subsequently. Hence during the current year the Company has recomputed the provision for current tax based on the income determined in the final assessment orders for the financial year 2005-06 to 2009-10 and based on the income offered to tax in the tax returns for the financial years 2010-11 to 2012-13. The Company has also provided for the deferred tax on the net amount of retention deferred in the income tax returns.
- 28.16** Scrap and off-cuts generated at the contract sites are being accounted on cash basis, since segregation and quantification of such items at the end of the financial year are not practicable in view of the contracts being in progress.
- 28.17** Revision in projected profit/(loss) on contracts arising from change in estimates of cost to completion of contracts are reflected during the course of the work in each accounting year. These have not been disclosed separately in the Financial Statements as the effect cannot be accurately determined.
- 28.18** Previous year's figures have been regrouped / reclassified where necessary to correspond with the current year's classification / disclosure.

29. Disclosures under Accounting Standards

29.01 Details of contract revenue and costs as per Accounting Standard (AS) 7 - Construction contracts in respect of contracts entered on or after 01.04.2003 and in progress as at year end

- a) Contract revenue recognised as revenue during the year
- b) Aggregate amount of contract costs incurred and recognised profits (net of recognised losses) upto the reporting period
- c) Advances received for contracts in progress (Unadjusted)
- d) Retention money under contracts in progress
- e) Gross amount due from customers for contract work (asset)
- f) Gross amount due to customers for contract work (liability)

For the Year ended 31.03.2014	For the Year ended 31.03.2013
Rs. lac	Rs. lac
49,123.59	48,023.71
341,466.61	297,485.56
As at 31.03.2014	As at 31.03.2014
8,891.07	10,112.12
25,996.59	26,689.67
2,320.33	1,567.81
9,057.68	12,393.59

Note:

Contract revenue recognised and the stage of completion of contract in progress are determined based on the policies and methods disclosed in Note 2.10 to the financial statements.

Notes forming part of the financial statements

for the year ended 31st March, 2014

29.02 Employee Benefits

Defined Contribution plans

The Company has recognised an amount of Rs. 533.11 lac in expenses for the year ended 31.03.2014 (*Previous year Rs. 555.57 lac*) towards contribution to the following defined contribution plans:

	For the Year ended 31.03.2014	For the Year ended 31.03.2013
	Rs. lac	Rs. lac
Provident Fund	252.94	249.65
Employees Pension Scheme	53.61	59.89
Superannuation Fund	226.56	246.03
Total	533.11	555.57

Defined Benefit Plans

The Company provided the following employee benefits

Funded : Gratuity

Non Funded: Compensated absence

Post retirement pension to whole-time directors

29.02 Employee Benefits

Details of the Gratuity Plan are as follows

Description	2013-14 Rs. lac	2012-13 [@] Rs. lac
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at beginning of the year	1,382.83	1,087.65
b. Current service cost	106.30	64.99
c. Interest cost	102.34	84.43
d. Liabilities assumed from associate companies for transferred employees	-	0.47
e. Actuarial (gain)/loss	(20.76)	357.11
f. Benefits paid	(238.76)	(211.82)
g. Obligation as at end of the year	1,331.95	1,382.83
2. Change in fair value of plan assets		
a. Fair value of plan assets as at beginning of the year	1,037.81	1,043.29
b. Expected return on plan assets	87.54	80.40
c. Assets transferred from associate companies for transferred employees	-	0.47
d. Actuarial gain/(loss)	56.65	(9.53)
e. Contributions made by the company	351.67	135.00
f. Benefits paid	(238.76)	(211.82)
g. Fair value of plan assets as at end of the year	1,294.91	1,037.81

Notes forming part of the financial statements

for the year ended 31st March, 2014

29.02 Employee Benefits (Contd.)

Details of the Gratuity Plan are as follows (Contd.)

Description	2013-14 Rs. lac	2012-13 [@] Rs. lac
3. Reconciliation of fair value of plan assets and obligations		
a. Present value of obligation	1,331.95	1,382.83
b. Fair value of plan assets	1,294.91	1,037.81
c. Amount recognised in the balance sheet Asset/(Liability)	(37.04)	(345.02)
4. Expenses recognised during the year		
a. Current service cost	106.30	64.99
b. Interest cost	102.34	84.43
c. Expected return on plan assets	(87.54)	(80.40)
d. Actuarial (gain)/loss	(77.41)	366.64
e. Expenses recognised during the year	43.69	435.66
5. Investment details	% invested	% invested
a. Government of India Securities	26.55	19.05
b. Public Sector Units (PSU) Bonds	32.55	29.09
c. State/Central Government guaranteed securities	-	5.31
d. Special deposit schemes	40.90	41.05
e. Private Sector bonds	-	1.68
f. Others (Including bank balances)	-	3.82
	100.00	100.00
6. Assumptions	%	%
a. Discount rate (per annum)	9.00%	8.10%
b. Estimated rate of return on plan assets (per annum)	8.00%	8.00%
c. Rate of escalation in salary	8.00%	8.00%
7. Experience adjustments	31.03.2014	31.03.2013
a. Present value of obligation	1,331.95	1,382.83
b. Fair value of plan assets	1,294.91	1,037.81
c. Amount recognised in the balance sheet Asset/(Liability)	(37.04)	(345.02)
d. Experience adjustments on plan liabilities ((gain)/loss)	63.08	162.05
e. Experience adjustments on plan assets (gain/(loss))	56.65	(9.53)
		31.03.2012
		31.03.2011
		31.03.2010
a. Present value of obligation	1,087.66	1,088.55
b. Fair value of plan assets	1,043.29	964.32
c. Amount recognised in the balance sheet Asset/(Liability)	(44.37)	(124.23)
d. Experience adjustments on plan liabilities ((gain)/loss)	34.84	107.36
e. Experience adjustments on plan assets (gain/(loss))	(21.96)	(12.12)
		10.35

[@] The disclosures for the previous year 2012-13 are exclusive of net liability of Rs. 16.63 lacs of Port and Yard Equipment division (P & YE)

Notes forming part of the financial statements

for the year ended 31st March, 2014

29.02 Employee Benefits (Contd.)

Details of the Compensated absence Benefit are as follows

Description	2013-14 Rs. lac	2012-13 Rs. lac
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at beginning of the year	633.22	432.93
b. Current service cost	95.15	63.85
c. Interest cost	46.44	33.32
d. Liabilities assumed from associate companies for transferred employees	-	0.46
e. Actuarial (gain)/loss	(62.04)	193.57
f. Benefits paid	(119.90)	(90.91)
g. Obligation as at end of the year	592.87	633.22
2. Expenses recognised during the year		
a. Current service cost	95.15	63.85
b. Interest cost	46.44	33.32
c. Actuarial gain/(loss)	(62.04)	193.57
d. Expenses recognised during the year	79.55	290.74
3. Assumptions	%	%
a. Discount rate (per annum)	9.00%	8.10%
b. Rate of escalation in salary	8.00%	8.00%
4. Experience adjustments	31.03.2014	31.03.2013
a. Present value of obligation	592.87	633.22
b. Experience adjustments on plan liabilities ((gain)/loss)	(14.25)	77.05
	31.03.2012	31.03.2011
	432.93	400.68
	57.03	42.05
		31.03.2010
		358.99
		54.88

29.02 Employee Benefits

Details of the Post retirement Pension benefit (Un-funded) are as follows

Description	2013-14 Rs. lac	2012-13 Rs. lac
1. Reconciliation of opening and closing balances of obligation		
a. Opening Obligation	718.67	593.44
b. Current service cost	43.43	37.00
c. Interest cost	56.19	49.14
d. Actuarial (gain)/loss	61.15	83.15
e. Benefits paid	(49.95)	(44.06)
f. Obligation as at end of the year	829.49	718.67

Notes forming part of the financial statements

for the year ended 31st March, 2014

29.02 Employee Benefits (Contd.)

Details of the Post retirement Pension benefit (Un-funded) are as follows (Contd.)

Description	2013-14 Rs. lac	2012-13 Rs. lac
2. Expenses recognised during the year		
a. Current service cost	43.43	37.00
b. Interest cost	56.19	49.14
c. Actuarial (gain)/loss	61.15	83.15
d. Expenses recognised during the year	160.77	169.29
3. Assumptions	%	%
a. Discount rate (per annum)	9.00	8.10
b. Rate of escalation in salary	10.00	10.00
c. Indexation of pension	3.00	3.00
4. Experience adjustments	31.03.2014	31.03.2013
a. Present value of obligation	829.49	718.67
b. Experience adjustments on plan liabilities ((gain)/loss)	126.52	51.66
		16.56
		54.97
		(19.78)

29.03 Earnings per share

	For the Year ended 31.03.2014 Rs. lac	For the Year ended 31.03.2013 Rs. lac
(a) Profit/(loss) for the year attributable to equity shareholders	(2,522.63)	(7,951.49)
(b) Weighted average no.of ordinary shares for basic and diluted EPS (Nos)	11,004,412	11,004,412
(c) Nominal value per ordinary share (Rs.)	10	10
(d) Earnings/(loss) per ordinary share for the year (Rs.) - Basic	(22.93)	(72.26)
(e) Earnings/(loss) per ordinary share for the year (Rs.) - Diluted	(22.93)	(72.26)

29.04 Details of expenditure charged to statement of profit and loss in respect of research and development activities

(a) Employee costs	176.58	249.91
(b) Depreciation	12.41	0.87
(c) Others	4.60	6.55
Total	193.59	257.33

Notes forming part of the financial statements

for the year ended 31st March, 2014

29.05 Provision for Warranty

The Company extends warranty to certain products manufactured and sold by it. The Company provides for any anticipated warranty costs at the time of recognising the sale based on technical evaluation and estimated costs.

The details of movement of provision for warranty are given below:

- (a) Opening balance at the beginning of the year
- (b) Provisions recognised during the year
- (c) Utilised for meeting the warranty costs
- (d) Unutilised provisions reversed during the year
- (e) Closing balance at the end of the year

For the Year ended 31.03.2014	For the Year ended 31.03.2013
Rs. lac	Rs. lac
131.30	147.00
115.18	88.09
97.92	88.09
-	15.70
148.56	131.30

29.06 The amortized portion of foreign exchange loss (net) incurred on long term foreign currency monetary items for the current year ended March 31, 2014 is Rs. 798.39 lac (previous year Rs. 526.61 lac). The unamortized portion carried forward as on 31st March, 2014 is Rs. 521.65 lac (31.03.2013 : Rs. 284.75 lac).

29.07 Segment Reporting

The Company has identified the business segments as primary segment for the purpose of reporting under Accounting Standards (AS) 17 - Segment Reporting. Revenues and expenses directly attributable to business segments are reported under the respective segments. Expenses which are not directly identifiable to each of the business segments have been allocated on the basis of associated revenues and manpower efforts. All other expenses which are not attributable or allocable to business segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to business segments are disclosed under the respective segments. All other assets and liabilities are included as part of unallocable. The Company has identified the following business segments as primary segments.

- (a) Products & Services
- (b) Projects & Services

In the Company's operations within India there is no significant difference in the economic conditions prevailing in the various states of India. Revenue from sales to customers outside India is less than 10% in the current and previous year. Hence disclosure on geographical segment are not applicable.

Notes forming part of the financial statements

for the year ended 31st March, 2014

29.07 Segment Reporting	Rs. lac			
Business segments	Product & Services	Projects & Services	Elimination	Total
Segment Revenue				
External Sales	17,020.09	52,602.03	-	69,622.12
	13,269.14	51,391.50	-	64,660.64
Inter segment revenue	11,086.63	-	(11,086.63)	-
	16,753.34	-	(16,753.34)	-
Total revenue	28,106.72	52,602.03	(11,086.63)	69,622.12
	30,022.48	51,391.50	(16,753.34)	64,660.64
Segment results	4,155.55	(5,451.99)	-	(1,296.44)
	5,321.66	(9,434.86)	-	(4,113.20)
Unallocated corporate expenditure (net)				41.30
				(37.59)
Operating profit/(loss)				(1,337.74)
				(4,075.61)
Interest expenses				4,078.81
				3,732.54
Profit/(loss) before exceptional item				(5,416.55)
				(7,808.15)
Exceptional Item - Profit on Sale of non-current investments				2,972.50
				-
Profit/(loss) before tax				(2,444.05)
				(7,808.15)
Tax				78.58
				143.34
Profit/(loss) after tax				(2,522.63)
				(7,951.49)
Other Information	Product & Services	Projects & Services	Elimination	Total
Segment Assets and Liabilities				
Segment assets	23,673.12	46,726.29	-	70,399.41
	22,479.82	57,681.25	-	80,161.07
Unallocated corporate assets	-	-	25,528.06	25,528.06
	-	-	26,113.63	26,113.63
Total assets	23,673.12	46,726.29	25,528.06	95,927.47
	22,479.82	57,681.25	26,113.63	106,274.70
Segment liabilities	9,229.78	37,241.24	-	46,471.02
	11,853.58	41,233.99	-	53,087.57
Unallocated corporate liabilities			42,152.04	42,152.04
			43,203.91	43,203.91
Total liabilities	9,229.78	37,241.24	42,152.04	88,623.06
	11,853.58	41,233.99	43,203.91	96,291.49
Capital expenditure	424.42	53.74	19.82	497.98
	130.01	94.19	74.19	298.39
Depreciation	333.80	133.35	16.53	483.68
	322.09	169.27	7.02	498.38

Notes forming part of the financial statements

for the year ended 31st March, 2014

29.08 Related party disclosures:

Information on related party transactions as per Accounting Standards (AS) 18 - Related party Disclosures

A) List of related parties and relationship

Name of the related party

TRF Singapore Pte Ltd.
 TRF Holdings Pte Limited
 Adhithya Automotive Application Pvt Ltd
 YORK Transport Equipment (Asia) Pte Ltd.
 YORK Transport Equipment Pty Ltd.
 YORK Sales (Thailand) Co. Ltd
 YTE Transport Equipment (SA) (Pty) Limited
 YORK Transport Equipment (Malaysia) Sdn Bhd*
 Rednet Pte Ltd.
 PT YORK Engineering
 YTE Special Products Pte Ltd
 Qingdao YTE Special Products Co. Ltd.
 YORK Transport Equipment (India) Pvt. Ltd.
 YORK Transport Equipment (Shanghai) Co. Ltd.
 Dutch Lanka Trailer Manufacturers Limited
 Dutch Lanka Engineering Pvt Ltd
 Dutch Lanka Trailers LLC
 Hewitt Robins International Holding Ltd.
 Hewitt Robins International Ltd.

Nature of Relationship

Subsidiary Companies the ownership
 of which is held directly by the
 Company

Subsidiary Companies the ownership of which
 is held through subsidiary (ies)

Tata Steel Limited

Promoter Company holding more than 20%

Key Managerial Personnel

Mr. Sudhir L. Deoras

Managing Director

* Liquidated in FY 2012-13

Rs. lac

	Subsidiary	Promoter Company	Key Management Personnel
a) Transactions during the year			
i) Sales and services Tata Steel Limited		23,467.08 17,400.72	
ii) Purchase of raw materials Tata Steel Limited		1,610.59 1,794.31	
Hewitt Robins International Ltd.	- 7.56		

Notes forming part of the financial statements

for the year ended 31st March, 2014

29.08 Related party disclosures: (Contd.)

Rs. lac

	Subsidiary	Promoter Company	Key Management Personnel
a) Transactions during the year			
iii) Payment towards various services obtained Tata Steel Limited		247.60 288.88	
Hewitt Robins International Ltd.	- 39.45		
iv) Loan given TRF Singapore Pte Ltd.	- 1,014.30		
v) Lease rent paid Tata Steel Limited		49.92 38.42	
vi) Expenses/Overhead charged (including rent) YORK Transport Equipment (Asia) Pte Ltd.	27.19 -		
YORK Transport Equipment (India) Pvt. Ltd.	- 45.76		
Dutch Lanka Trailer Manufacturers Limited	13.88 21.97		
Hewitt Robins International Ltd.	7.21 33.39		
Adhithya Automotive Application Pvt Ltd	3.64 6.87		
TRF Holdings Pte Limited	- 1.51		
TRF Singapore Pte Ltd.	- 0.59		
vii) Dividend paid Tata Steel Limited		- 143.41	
viii) Guarantee provided TRF Holdings Pte Limited	- 9,220.77		
USD 18,000,000			
Dutch Lanka Trailer Manufacturers Limited	- 400.50		
USD 735,000			
YORK Transport Equipment (Asia) Pte Ltd.	- 9,808.07		
USD 18,000,000			
YORK Transport Equipment (Asia) Pte Ltd.	- -		
USD 4,500,000			
ix) Interest income on advances given TRF Singapore Pte Ltd.	2,452.02 43.94 627.64		

Notes forming part of the financial statements

for the year ended 31st March, 2014

29.08 Related party disclosures: (Contd.)

Rs. lac

	Subsidiary	Promoter Company	Key Management Personnel
a) Transactions during the year			
x) Commission income on corporate guarantee given to subsidiary Dutch Lanka Trailer Manufacturers Limited	9.89		
	-		
YORK Transport Equipment (Asia) Pte Ltd.	87.55		
	-		
TRF Singapore Pte Ltd.	71.03		
	-		
xi) Investment in subsidiary (Invsetment in TRF Singapore Pte. Ltd. (17,839,324 shares, face value of SGD 1 each) TRF Singapore Pte Ltd.	7,829.16		
	-		
xii) Sale of non-current investments Kalimati Investments Limited ^s		3,206.25	
		-	
xiii) Remuneration paid Mr. Sudhir L Deoras			118.29
			109.05
^s Kalimati Investments Limited, a wholly owned subsidiary of Tata Steel Limited was merged with effect from 1 January, 2013 vide order dated 4 April, 2014 by the High Court of Bombay.			
b) Balances as on March 31, 2014			
i) Guarantee given by the Company on behalf of subsidiary companies			
YORK Transport Equipment (Asia) Pte Ltd.	10,835.82		
USD 18,000,000	9,808.07		
Dutch Lanka Trailer Manufacturers Limited	903.00		
USD 1,500,000	817.34		
YORK Transport Equipment (Asia) Pte Ltd.	2,708.96		
USD 4,500,000	2,452.02		
ii) Receivables			
Tata Steel Limited (Net of advances)		3,834.67	
		2,083.53	

Notes forming part of the financial statements

for the year ended 31st March, 2014

29.08 Related party disclosures: (Contd.)

Rs. lac

	Subsidiary	Promoter Company	Key Management Personnel
b) Balances as on March 31, 2014			
YORK Transport Equipment (India) Pvt. Ltd.	- 45.38		
YORK Transport Equipment (Asia) Pte. Ltd.	98.29 -		
Dutch Lanka Trailer Manufacturers Limited	79.27 63.08		
TRF Singapore Pte Ltd.	856.15 8,456.80		
Hewitt Robins International Ltd.	19.47 58.50		
Adhithya Automotive Application Pvt Ltd	13.84 10.20		
TRF Holdings Pte Limited	1.51 1.51		
iii) Claims against the Company not acknowledged as debt Tata Steel Limited (Net of advances)		187.38 520.27	
iv) Payables			
Tata Steel Limited		193.60 473.01	
Hewitt Robins International Ltd.	- 47.02		

29.09 Previous year's figures have been regrouped / reclassified where necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

SUBODH BHARGAVA
Chairman

TARUN KR. SRIVASTAVA
Company Secretary

SUDHIR L. DEORAS
Managing Director

Place : Kolkata
Date : 2 May, 2014

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF TRF LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **TRF LIMITED** (the "Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements / financial information of the subsidiaries and jointly controlled entities referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter

We draw attention to Note No.2.10 (ii) of the financial statements, with respect to total contract cost being ascertained based on the contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future. Owing to the technical nature of the contracts, we have relied on the management estimates relating to the technical aspects/components and other technical inputs/matters considered in the determination of expected cost to completion of the contracts.

Our report is not qualified in respect of this matter.

Other Matter

We did not audit the financial statements / financial information of subsidiaries and jointly controlled entity, whose financial statements / financial information reflect total assets (net) of Rs. 58,088.33 lakh as at 31st March, 2014, total revenues of Rs. 40,346.74 lakh and net cash inflows amounting to Rs. 1,369.54 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm Registration No. 302009E)

Abhijit Bandyopadhyay
(Partner)
(Membership No. 054785)

Kolkata, May 02, 2014

Consolidated Balance Sheet as at March 31, 2014

		Rs. in lac	
	Note No.	As at March 31, 2014	As at March 31, 2013
(I) EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	1,100.44	1,100.44
(b) Reserves and surplus	4	4,546.87	6,570.60
		<u>5,647.31</u>	<u>7,671.04</u>
(2) Minority Interest		567.43	495.03
(3) Non-current liabilities			
(a) Long-term borrowings	5	26,051.23	26,991.26
(b) Deferred tax liabilities (net)	6	4,484.58	83.41
(c) Other long-term liabilities	7	518.40	120.03
(d) Long-term provisions	8	1,446.30	1,766.36
		<u>32,500.51</u>	<u>28,961.06</u>
(4) Current liabilities			
(a) Short-term borrowings	5	29,386.57	27,201.81
(b) Trade payables	9	33,235.15	37,349.90
(c) Other current liabilities	10	26,187.47	30,921.92
(d) Short-term provisions	8	3,178.75	5,048.49
		<u>91,987.94</u>	<u>100,522.12</u>
TOTAL EQUITY AND LIABILITIES		<u>130,703.19</u>	<u>137,649.25</u>
(II) ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	10,594.84	10,683.30
(ii) Intangible assets	12	378.91	468.65
(iii) Capital work-in-progress		17.65	332.60
		<u>10,991.40</u>	<u>11,484.55</u>
(b) Goodwill on consolidation		17,179.35	15,635.97
(c) Non-current investments	13	22.81	256.53
(d) Deferred tax assets (net)	6	231.03	148.73
(e) Long-term loans and advances	14	4,852.16	2,350.12
(f) Other non-current assets	15	7.20	512.05
		<u>33,283.95</u>	<u>30,387.95</u>
(2) Current assets			
(a) Inventories and contracts in progress	16	19,689.65	28,202.65
(b) Trade receivables	17	60,230.87	62,145.11
(c) Cash and bank balances	18	5,528.98	6,395.84
(d) Short-term loans and advances	14	8,971.24	8,945.65
(e) Other current assets	19	2,998.50	1,572.05
		<u>97,419.24</u>	<u>107,261.30</u>
TOTAL ASSETS		<u>130,703.19</u>	<u>137,649.25</u>

See accompanying notes forming part of the consolidated financial statements.

In terms of our report attached.

 For DELOITTE HASKINS & SELLS
Chartered Accountants

 Abhijit Bandyopadhyay
Partner

 Place : Kolkata
Date : May 2, 2014

 TARUN KR. SRIVASTAVA
Company Secretary

For and on behalf of the Board of Directors

 SUBODH BHARGAVA
Chairman

 SUDHIR L. DEORAS
Managing Director

 Place : Kolkata
Date : May 2, 2014

Consolidated Statement of Profit and Loss for the year ended March 31, 2014

Rs. in lac

	Note No.	Year Ended March 31, 2014	Year Ended March 31, 2013
(1) Revenue from operations (gross)	20	121,066.23	114,951.13
Less: Excise duty		3,612.84	3,468.70
Revenue from operations (net)		117,453.39	111,482.43
(2) Other income	21	1,443.58	817.73
(3) Total Revenue (1) + (2)		118,896.97	112,300.16
(4) EXPENSES			
(a) Cost of materials consumed	22	60,729.30	71,798.39
(b) Purchase of finished, semi finished and other products		2,093.67	2,067.92
(c) Payment to sub-contractors		17,307.48	16,416.66
(d) Changes in inventories of finished products, work in progress and contract in progress	23	6,332.03	(6,888.50)
(e) Employee benefit expense	24	10,889.36	11,787.43
(f) Finance costs	25	5,886.38	5,493.99
(g) Depreciation and amortisation expense	26	1,233.98	1,214.57
(h) Other expenses	27	20,069.12	19,187.73
Total Expenses (4)		124,541.32	121,078.19
(5) Loss before exceptional items and tax (3) - (4)		(5,644.35)	(8,778.03)
(6) Exceptional Items			
Profit on sale of non-current investments		2,972.50	-
(7) Loss before tax (5) + (6)		(2,671.85)	(8,778.03)
(8) Tax Expense			
(a) Current tax		(4,082.36)	272.69
(i) Current tax for the current year		185.04	272.69
(ii) Current tax relating to previous years		(4,267.40)	-
(b) MAT Credit		(11.72)	(35.54)
(c) Deferred tax		4,243.09	117.96
(i) Deferred tax for the current year		(102.89)	117.96
(ii) Deferred tax relating to previous years		4,345.98	-
Total tax expense (8)		149.01	355.11
(9) Loss after tax (7) - (8)		(2,820.86)	(9,133.14)
(10) Minority interest		66.05	35.90
(11) Loss for the year (10) -(11)		(2,886.91)	(9,169.04)
(12) Earnings per equity share:	29.03		
(1) Basic		(26.23)	(83.32)
(2) Diluted		(26.23)	(83.32)

See accompanying notes forming part of the consolidated financial statements.

In terms of our report attached.
For DELOITTE HASKINS & SELLS
Chartered Accountants

Abhijit Bandyopadhyay
Partner

TARUN KR. SRIVASTAVA
Company Secretary

For and on behalf of the Board of Directors
SUBODH BHARGAVA
Chairman

SUDHIR L. DEORAS
Managing Director

Place : Kolkata
Date : May 2, 2014

Place : Kolkata
Date : May 2, 2014

Consolidated Cash Flow Statement For the Year Ended March 31, 2014

	For the Year Ended March 31, 2014	Rs. in lac For the Year Ended March 31, 2013
A. Cash Flow from Operating activities:		
Loss before taxes	(2,671.85)	(8,778.03)
Adjustments for:		
Depreciation and amortisation expense	1,233.98	1,214.57
Bad debt/advances written off	39.93	56.31
Provision for doubtful debts and advances	2,156.75	1,593.36
Interest income	(624.18)	(6.78)
Dividend income from non-current investments	(34.01)	(67.50)
Profit on sale of non-current investment	(2,972.50)	-
Finance costs	5,886.38	5,493.99
Exchange differences on long-term monetary items amortised from FCMITDA	798.39	562.61
(Gain)/loss on sale of fixed assets (net)	(44.15)	3.99
Unrealised exchange loss/(gain) on loans	(463.38)	(190.32)
Realised exchange loss/(gains) on loans	186.29	-
Operating profit/(loss) before working capital changes	3,491.65	(117.80)
Adjustments for (increase)/decrease in operating assets		
Inventories	9,594.97	(7,428.44)
Trade receivables	845.05	(8,281.50)
Short-term loans and advances	154.24	(1,058.65)
Long-term loans and advances	(1,273.37)	730.44
Other current assets	(1,425.30)	1,456.61
Other non-current assets	506.90	54.37
Adjustments for increase/(decrease) in operating liabilities		
Trade Payables	(5,031.92)	1,187.45
Other current liabilities	(4,603.34)	12,936.64
Short-term provision	667.99	248.47
Other long-term liabilities	398.37	27.79
Long-term provisions	(326.32)	320.79
Cash generated from operations	2,998.92	76.17
Direct taxes refunded	238.93	1,021.09
Net cash generated from operating activities	3,237.85	1,097.26
B. Cash Flow from Investing activities:		
Purchase of fixed assets	(514.37)	(1,241.17)
Sale of fixed assets	52.53	8.92
Sale of current investments	-	37.50
Sale of non-current investments	3,206.25	-
Dividend received	34.01	67.50
Interest income received	728.85	8.55
Net cash from/(used in) investing activities	3,507.27	(1,118.70)
C. Cash Flow from Financing activities:		
Proceeds from bills discounted	1,153.48	9.05
Proceeds from long-term borrowings	1,350.00	8,000.00
Proceeds from lease finance	11.98	-
Repayment of long-term borrowings	(4,610.44)	(5,818.07)
Proceeds from buyer's credit	1,297.64	1,507.46
Repayment of buyer's credit	(1,973.09)	(933.32)
Proceeds from working capital borrowings	669.14	2,252.24
Interest and other borrowing costs paid	(5,900.31)	(5,444.07)
Dividend paid (including dividend distribution tax)	-	(511.57)
Net cash (used in) financing activities	(8,001.60)	(938.28)
Net increase/(decrease) in cash or cash equivalents	(1,256.48)	(959.72)
Cash and cash equivalents as at 1st April ¹	6,358.68	7,058.43
Effect of exchange rate on translation of foreign currency		
Cash and cash equivalents	393.52	259.97
Cash and cash equivalents as at 31st Mar ¹	5,495.72	6,358.68

- Notes: 1. Cash and cash equivalents represent cash and cheques on hand, balance in current and deposit accounts with banks (Refer Note18).
 2. Purchase of fixed assets includes payments for items in capital work-in-progress.
 3. Figures in brackets represent outflows.

In terms of our report attached.

 For DELOITTE HASKINS & SELLS
 Chartered Accountants

 Abhijit Bandyopadhyay
 Partner

 Place : Kolkata
 Date : May 2, 2014

 TARUN KR. SRIVASTAVA
 Company Secretary

For and on behalf of the Board of Directors

 SUBODH BHARGAVA
 Chairman

 SUDHIR L. DEORAS
 Managing Director

 Place : Kolkata
 Date : May 2, 2014

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

1. Principles of consolidation

The Consolidated Financial Statements consist of **TRF Limited** (“the Company”) and its subsidiary companies (collectively referred to as “the Group”). The Consolidated Financial Statements have been prepared on the following basis :

- a) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses. Intra group balances, intra group transactions and unrealised profits or losses have been fully eliminated as per Accounting Standard (AS) 21 - Consolidated Financial Statements notified under Section 211(3C) of the Companies Act, 1956 (“the 1956 Act”) (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 (“the 2013 Act”) in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs, Government of India).
- b) Interest in the Joint Venture has been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per the Accounting Standard (AS) 27 – Financial Reporting of Interests in Joint Ventures.
- c) In case of foreign subsidiary companies, being non-integral operation, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rate prevailing at the end of the year. Exchange gains/(losses) arising on conversion are accumulated under Foreign Currency Translation Reserve.
- d) The excess of the cost to the Group, of its investment in the subsidiary companies and the joint venture over the Group's portion of equity is recognised in the financial statement as Goodwill. Goodwill arising on consolidation is not amortised but tested for impairment on annual basis.
- e) The financial statements of the subsidiary companies and joint venture, used in the consolidation are drawn up to the same reporting date as that of the Company i.e. March 31, 2014.
- f) Minority Interest in the net assets of the consolidated subsidiaries consists of the amount of equity attributable to minorities at the date on which investment in a subsidiary is made and the minorities' share of movements in equity since the date the parent subsidiary relationship came into existence. Minority Interest is identified and presented in the consolidated balance sheet separately from liabilities and the equity of the Company's shareholders. Minority interest's share of net profit for the year of consolidated subsidiaries is identified and adjusted against the profit / (loss) after tax of the group in order to arrive at the income attributable to shareholders of the Company.

The list of subsidiary companies and joint venture which are included in the consolidation and the Company's holdings therein are as under:

Name of the Company		Ownership in % either directly or through subsidiaries		Country of Incorporation
		2013-14	2012-13	
Subsidiaries				
1.	TRF Singapore Pte Ltd	100.00	100.00	Singapore
2.	TRF Holdings Pte Ltd	100.00	100.00	Singapore
3.	YORK Transport Equipment (Asia) Pte Ltd	100.00	100.00	Singapore
4.	YORK Transport Equipment Pty Ltd	100.00	100.00	Australia
5.	YORK Sales (Thailand) Co. Ltd	100.00	100.00	Thailand
6.	YTE Transport Equipment (SA) (Pty) Limited	100.00	100.00	South Africa
7.	Rednet Pte Ltd.	100.00	100.00	Singapore
8.	PT YORK Engineering	100.00	100.00	Indonesia

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

1. Principles of consolidation (Contd.)

Name of the Company	Ownership in % either directly or through subsidiaries		Country of Incorporation
	2013-14	2012-13	
9. YTE Special Products Pte Ltd	100.00	100.00	Singapore
10. Qingdao YTE Special Products Co. Ltd	100.00	100.00	China
11. YORK Transport Equipment India Pvt. Ltd	100.00	100.00	India
12. YORK Transport Equipment (Shanghai) Co. Ltd	100.00	100.00	China
13. Adithya Automotive Applications Pvt. Limited	100.00	100.00	India
14. Dutch Lanka Trailer Manufacturers Limited	100.00	100.00	Sri Lanka
15. Dutch Lanka Engineering Pvt Ltd	100.00	100.00	Sri Lanka
16. Dutch Lanka Trailers LLC	70.00	70.00	Oman
17. Hewitt Robins International Ltd	100.00	100.00	United Kingdom
18. Hewitt Robins International Holding Ltd	100.00	100.00	United Kingdom
Joint Venture			
1. Tata International DLT Private Limited	50.00	50.00	India

2. Summary of significant accounting policies

2.01 Basis of accounting

The consolidated financial statements of the Company and its subsidiaries and the jointly controlled entity (together "the Group") have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs, Government of India) and the relevant provisions of the 1956 Act / 2013 Act, as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

2.02 Use of estimates

The presentation of financial Statements in accordance with Generally Accepted Accounting Principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the year. Examples of such estimates include estimated cost of contracts, useful life of fixed assets, provision for doubtful debts, employee benefits, provision for taxes. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

2.03 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and taxes is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

2. Summary of significant accounting policies(Contd.)

2.04 Fixed assets

i) Tangible assets

Tangible assets are stated at cost less accumulated depreciation and impairment losses (if any). The cost of an asset includes the purchase cost of materials, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalised as part of the cost of the asset until such time that the asset is ready for its intended use. Subsequent expenditure relating to tangible assets are capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. The Company has adopted the provisions of para 46 / 46A of Accounting Standard AS 11 - The Effects of Changes in Foreign Exchange Rates, accordingly, exchange differences arising on restatement / settlement of long-term foreign currency monetary items relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

Depreciation on all tangible fixed assets are provided on a straight line basis over its useful life estimated by the management or on the basis of depreciation rates prescribed under local laws.

ii) Intangible assets

Intangible assets are stated at acquisition cost, less accumulated amortisation and accumulated impairment (if any). The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

The Cost of Intangible assets are amortised on a straight line basis over their estimated useful life. The cost incurred to acquire any technical knowhow is amortised over its estimated useful life not exceeding six years from the date of transfer of technical know how and cost incurred to acquire other intangibles is amortised on a straight line basis over an estimated useful life of five years.

iii) Capital work-in-progress

Expenditure incurred on construction of assets which are not ready for their intended use are carried at cost less impairment (if any), under Capital work-in-progress. The cost includes the purchase cost of materials, including import duties and non-refundable taxes, any directly attributable costs and Interest on borrowings used to finance the construction of the asset.

2.05 Impairment of assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.06 Investments

Long term investments are carried at cost less provision for diminution other than temporary (if any) in value of such investments. Current investments are carried at lower of cost and fair value.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

2. Summary of significant accounting policies (Contd.)

2.07 Lease

Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. The Company's significant operating leasing arrangements are for premises (Office, Residence etc.). The leasing arrangements which normally have a tenure of eleven months to six years are cancellable with a reasonable notice, and are renewable by mutual consent at agreed terms. The aggregate lease rent payable is charged as rent in the statement of profit and loss. One of the subsidiary has taken Argon Gas Storage tank is taken under non cancellable operating lease and the lease rent is payable as per the agreement entered with the lessor.

2.08 Inventories

Raw materials, work-on-progress and finished products are valued at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes purchase price, non refundable taxes and duties and other directly attributable costs incurred in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Stores and spares are valued at cost comprising of purchase price, non refundable taxes and duties and other directly attributable costs after providing for obsolescence and other losses, where considered necessary.

Value of inventories are generally ascertained on the "weighted average" basis.

2.09 Cash and cash equivalents

Cash and cash equivalents comprises of cash and cheques on hand, remittances in transit, balances in current accounts and deposit accounts with banks having original maturity of three months or less from the date of deposit.

2.10 Revenue recognition

i) Sale of products

Revenue from the sale of products is recognised in the statement of profit and loss when the significant risks and rewards of ownership have been transferred to the buyer, which generally coincides with the delivery of goods to customers. Revenue includes consideration received or receivable, excise duty but net of discounts and other sales related taxes.

ii) Revenue from contracts

Revenue from contracts are recognised on percentage completion method specified under Accounting Standard (AS) 7 - Construction Contracts. The stage of completion is determined as a proportion that contract costs incurred for work performed up to the closing date bear to the estimated total costs of respective project. Profit (contract revenue less contract cost) is recognised when the outcome of the contract can be estimated reliably and for contracts valued up to Rs. 100 crores, profit is recognised when stage of completion is 40% or more, and for contracts valued more than Rs. 100 crores, profit is recognised either at 25% stage of completion or an expenditure of Rs. 40 crores whichever is higher. When it is probable that the total cost will exceed the total revenue from the contract, the expected loss is recognised immediately. For this purpose total contract costs are ascertained on the basis of contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future including for contingencies etc.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

2. Summary of significant accounting policies (Contd.)

2.10 Revenue recognition

iii) Dividend and interest income

Dividend income is recognised when the company's right to receive dividend is established. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

iv) Government grants

Incentives of revenue in nature from the government are recognised in the statement of profit and loss on accrual basis.

2.11 Employee benefits

i) Short term benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

ii) Defined contribution plans

Defined contribution plans are those plans where the Company pays fixed contributions to funds/schemes managed by independent trusts or authority. Contributions are paid in return for services rendered by the employees during the year. The company has no legal or constructive obligation to pay further contributions if the fund/scheme does not hold sufficient assets to pay/extend employee benefits. The Company provides Provident Fund facility to all employees, Superannuation benefits to selected employees. The contributions are expensed as they are incurred in line with the treatment of wages and salaries.

iii) Defined benefit plans

The Company provides gratuity, compensated absence to its employees and pension to retired whole-time directors. Gratuity liabilities are funded and managed through separate trust (except in case of Port and Yard Equipment Division in which the funds are managed by Life Insurance Corporation of India). The liabilities towards leave encashment and pension to retired whole-time directors are not funded. The present value of these defined benefit obligations are ascertained by an independent actuarial valuation as per the requirements of Accounting Standards (AS) 15 - Employee Benefits. The liability recognised in the balance sheet is the present value of the defined benefit obligations on the balance sheet date less the fair value of the plan assets (for funded plans), together with adjustments for unrecognised past service costs. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. All actuarial gains and losses are recognised in the statement of profit and loss in full in the year in which they occur.

2.12 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred. Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets till such time the asset is ready for its intended use. 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 statement of profit and loss in the period in which they are incurred.

2.13 Foreign currency transactions

- i) Foreign currency transactions are recorded on initial recognition in the reporting currency i.e. Indian rupees, using the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in currencies other than the reporting currency (other than derivative contracts and net investment in non-integral foreign operations) and foreign exchange contracts remaining unsettled are remeasured at the rates of exchange prevailing at the balance sheet date. Exchange difference arising on the settlement of monetary items, and on the remeasurement of monetary items, other than long-term foreign currency monetary items are included in the statement of profit and loss.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

2. Summary of significant accounting policies (Contd.)**2.13 Foreign currency transactions**

- ii) Net investment in non-integral foreign operations is accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. Foreign currency monetary items (other than derivative contracts) of the Company's net investment in non-integral foreign operations outstanding at the balance sheet date are restated at the year-end rates. The exchange differences on restatement of long-term receivables from non-integral foreign operations that are considered as net investment in such operations are accounted as per policy for long-term foreign currency monetary items stated in para (iv) below until disposal of such net investment, in which case the accumulated balance in "Foreign Exchange Fluctuation Reserve" is recognised as income / expense in the same period in which the gain or loss on disposal is recognised.
- iii) Foreign Currency forward contracts, other than those entered into to hedge foreign currency risk on unexecuted firm commitments or highly probable forecast transactions are treated as foreign currency transactions and accounted accordingly as per Accounting Standard (AS) 11 - Effects of changes in foreign exchange rates. The difference between the contract rate and spot rate on the date of transaction is recognised as premium/discount and recognised over the life of the contract. Exchange differences arising on account of remeasurement and gains and losses arising on account of roll over/cancellation of foreign currency forward contracts are recognised in the statement of profit and loss.
- iv) The Company has opted for accounting the exchange difference arising on reporting of long-term foreign currency monetary items in line with the paragraph 46A of Accounting Standards (AS) 11 - Effects of changes in foreign exchange rates. Accordingly exchange difference arising on the settlement and remeasurement of long-term foreign currency monetary items relating to the acquisition of depreciable capital asset are accounted by addition or deduction to the cost of the depreciable assets and depreciated over the remaining useful life of such assets. Exchange differences arising on settlement and remeasurement of other long-term foreign currency monetary items are accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the maturity period/up to the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss except in case of exchange differences arising on net investment in non-integral foreign operations, where such amortisation is taken to "Foreign Exchange Fluctuation Reserve" until disposal of the net investment.

2.14 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year 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 the equity shareholders for the year by the weighted average number of equity together with any dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.15 Taxes on Income**i) Current tax**

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income-tax Act, 1961.

ii) Deferred tax

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets against unabsorbed depreciation and carried forward loss under tax laws, are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets on other timing differences are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

2. Summary of significant accounting policies (Contd.)

2.15 Taxes on Income (Contd.)

iii) Minimum alternate tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is recognised as an asset in the Balance Sheet when there is convincing evidence that the Company will pay normal income tax during the specified period and it is probable that future economic benefit associated with it will flow to the Company.

iv) Current and Deferred tax is measured based on the provisions of tax laws and tax rates enacted or substantively enacted as at the Balance Sheet date.

2.16 Provisions, Contingent liabilities and Contingent assets

i) Provision

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

ii) Provision for warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures.

iii) Contingent liabilities and assets

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised. Contingent Assets are neither recognised nor disclosed.

2.17 Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information are available and for which operating results are evaluated regularly by the executive management in assessing performance and to take decision on allocation of resources. The accounting policies adopted for the segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocable revenue/expenses/asset/liabilities".

2.18 Research and development expenses

Research and development costs (other than cost of fixed assets acquired) are charged to the Statement of Profit and Loss in the year in which they are incurred. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Fixed Assets.

2.19 Derivative contracts

The Company enters into derivative contracts in the nature of foreign currency and interest rate swaps, option contracts to hedge its existing assets and liabilities and foreign currency forward contracts to hedge firm commitments and highly probable transactions. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions and Translations. All other derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

3. Share capital

Authorised:

30,000,000 Equity shares of Rs. 10 each
 (31.03.2013: 30,000,000 Equity Shares of Rs. 10 each)

Issued, subscribed and fully paid up:

11,004,412 Equity shares of Rs. 10 each
 (31.03.2013: 11,004,412 Equity Shares of Rs. 10 each)

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
3,000.00	3,000.00
3,000.00	3,000.00
1,100.44	1,100.44
1,100.44	1,100.44

Reconciliation of Number of shares and amount outstanding at the beginning and end of the reporting period

	For the year ended 31.03.2014		For the year ended 31.03.2013	
	No. of Shares	Amount Rs. lac	No. of Shares	Amount Rs. lac
Equity shares				
Issued, subscribed and fully paid up:				
At beginning of the year	11,004,412	1,100.44	11,004,412	1,100.44
Issued during the year	-	-	-	-
At end of the year	11,004,412	1,100.44	11,004,412	1,100.44

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	%	No. of Shares	%
Tata Steel Limited	3,585,428	32.58%	3,585,428	32.58%
Kalimati Investments Limited [#]	187,586	1.70%		
Zash Traders through its person acting in concert	-	-	724,686	6.59%
- Regal Investment and Trading Co Pvt Limited	-	-	307,786	2.80%
- Vidya Investment and Trading Co Pvt Limited	-	-	233,000	2.12%
- Nepean Investment and Trading Co Pvt Limited	-	-	183,900	1.67%

[#] Kalimati Investments Limited is merged with Tata Steel Limited vide an order dated April 4, 2014 of the Bombay High Court with effect from January 1, 2013.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

3. Share capital (Contnd.)

Aggregate number and class of shares allotted as fully paid up by way of bonus shares during the period of five immediately preceeding years

	As at 31.03.2014	As at 31.03.2013
Equity Shares		
No. of Shares	5,502,206	5,502,206

During the year ended 31st March 2010, the Company had issued 5,502,206 equity shares of Rs. 10 each by way of fully paid up bonus shares in the ratio of 1 share for every share held by capitalisation of general reserve

Rights, preferences and restrictions attached to shares

i) Equity Shares

The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

4. Reserves and Surplus

	As at 31.03.2014 Rs. lac	As at 31.03.2013 Rs. lac
Amalgamation reserve		
Opening and Closing Balance	61.81	61.81
General reserve		
Opening and Closing Balance	14,420.71	14,420.71
Foreign exchange fluctuation reserve		
Opening Balance	367.47	47.31
Add: Effect of foreign exchange rate variations during the year	80.73	320.16
Closing Balance [net of deferred tax Rs. 200.42 lac (31.03.2013: Rs. 176.49 lac)]	448.20	367.47
Foreign currency translation reserve (arising on consolidation)		
Opening Balance	(5.83)	(465.56)
Add: Effects of foreign exchange rate variations during the year	1,019.35	459.73
Closing Balance	1,013.52	(5.83)
Foreign currency monetary item translation difference account		
Opening Balance	(284.75)	(226.94)
Add: Additions during the year	(1,035.29)	(584.42)
Less: Recognised in the statement of profit and loss during the year	798.39	526.61
Closing Balance	(521.65)	(284.75)
Surplus/(Deficit) in statement of profit and loss		
Opening Balance	(7,988.81)	1,180.23
Add: Profit/(Loss) for the year	(2,886.91)	(9,169.04)
Closing Balance	(10,875.72)	(7,988.81)
	4,546.87	6,570.60

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

5. Borrowings
A. Secured

- (a) Term loans
 - i) From banks
 - ii) From others
- (b) Finance lease obligations
- (c) Repayable on demand
 - i). From banks
 - a) Working capital demand loans
 - b) Cash credit
- (d) Other Loans
 - a) Buyer's credit
 - b) Bills discounted.

Total Secured Borrowings
B. Unsecured

- (a) Term loan
- (b) From others

Total Unsecured Borrowings
Total Borrowings

As at 31.03.2014		As at 31.03.2013	
Long-term Rs. lac	Short-term Rs. lac	Long-term Rs. lac	Short-term Rs. lac
25,854.78	-	26,616.78	-
186.94	351.07	374.48	-
9.51	-	-	-
-	12,798.80	-	14,524.41
-	12,727.34	-	9,442.26
-	1,006.56	-	1,435.55
-	2,434.82	-	1,199.59
26,051.23	29,318.59	26,991.26	26,601.81
	67.98		600.00
-	67.98	-	600.00
26,051.23	29,386.57	26,991.26	27,201.81

6. Deferred tax liabilities
Deferred tax liabilities

- i) On account of difference in depreciation as per books and taxation
- ii) On retention money deferred (Refer Note no. 28.07)
- iii) On account of exchange differences on long term loans

Deferred tax assets

- i) Provision for doubtful debts
- ii) Provision for contingencies
- iii) On account of difference in depreciation as per books and taxation
- iv) Provision for warranty
- v) Unabsorbed business losses^s
- vi) Others (Including provision for employee benefits)

Deferred tax liabilities/(asset) - Net
Disclosed under

Deferred tax liabilities

Deferred tax assets

Deferred tax liabilities/(asset) - Net

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
501.03	475.25
7,738.58	-
200.42	176.50
8,440.03	651.75
97.97	195.16
21.47	64.79
119.56	95.08
52.16	52.84
3,476.14	-
419.18	309.2
4,186.48	717.07
4,253.55	(65.32)
4,484.58	83.41
231.03	148.73
4,253.55	(65.32)

^s Recognised to the extent of tax liability on eligible deferment of retention.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

7. Other long-term liabilities

- (a) Pension payable under employee separation scheme
- (b) Deposits from employees
- (c) Others

Total Trade Payables

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
23.86	50.11
23.64	29.35
470.90	40.57
518.40	120.03

8. Provisions

- (a) Provision for employee benefits
 - (1) Post-employment defined benefits
 - i) Post retirement pension
 - ii) Retirement gratuity
 - (2) Other long-term employee benefits
 - i) Compensated absences
- (b) Provisions for tax
- (c) Provision for estimated losses on onerous contracts
- (d) Provision for warranty (Refer Note 29.04)
- (e) Others

Total Provisions

As at 31.03.2014		As at 31.03.2013	
Long-term Rs. lac	Short-term Rs. lac	Long-term Rs. lac	Short-term Rs. lac
780.21	49.28	677.97	40.70
120.68	-	466.64	-
545.41	282.30	593.68	265.63
-	1,632.10	-	4,215.04
-	854.48	-	166.40
-	356.34	-	352.69
-	4.25	28.07	8.03
1,446.30	3,178.75	1,766.36	5,048.49

9. Trade Payable

- (a) Acceptances
- (b) Other than acceptances

Total Trade Payables

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
2,572.99	3,634.17
30,662.16	33,715.73
33,235.15	37,349.90

10. Other Current Liabilities

- (a) Current maturities of long-term debts (Refer Note 5)
- (b) Current maturities of Lease finance obligations
- (c) Interest accrued but not due on other borrowings
- (d) Interest accrued and due on other borrowings
- (e) Unpaid dividends
- (f) Advances received from customers
- (g) Dues to customers for contracts in progress
- (h) Pension payable under employee separation scheme
- Creditors for other liabilities
 - i) Creditors for capital supplies/services
 - ii) Employee recoveries and employer contributions
 - iii) Statutory dues (Excise duty, service tax, sales tax, TDS etc.)
 - iv) Others

Total Other Current Liabilities

4,469.96	4,568.16
2.47	-
69.48	114.48
155.04	119.76
33.65	37.54
10,326.04	12,030.72
9,057.68	12,396.62
11.92	13.76
79.57	122.45
474.25	449.73
423.33	270.34
1,084.08	798.36
26,187.47	30,921.92

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

11. Tangible assets											Rs. lac
As at 31.03.2014											Total Tangible Assets
	Land	Building and Roads	Plant and Machinery	Electrical Installation	Laboratory Equipment	Furniture and fixtures	Office Equipments	Motor Vehicles	Leased Motor Vehicles		
Cost at beginning of the year	891.66	7,806.02	7,658.53	446.33	14.42	619.72	1,275.08	842.96	-	19,554.72	
Additions	-	207.05	424.64	-	-	16.90	104.39	11.85	11.80	776.63	
Disposals	-	7.56	8.40	6.15	-	4.13	2.77	167.16	-	196.17	
Other reclassifications	-	-	(2.51)	-	-	2.51	-	-	-	-	
Exchange difference on consolidation	25.23	83.18	284.99	2.53	-	26.73	11.19	46.82	0.37	481.04	
Cost at end of the year	916.89	8,088.69	8,357.25	442.71	14.42	661.73	1,387.89	734.47	12.17	20,616.22	
Depreciation at beginning of the year	-	2,289.22	4,367.83	162.35	7.49	382.05	1,032.42	630.06	-	8,871.42	
Charge for the year	-	305.20	500.00	37.58	0.52	42.94	117.90	71.38	-	1,075.52	
Disposals	-	7.56	8.36	4.94	-	3.68	1.95	161.30	-	187.79	
Other reclassifications	-	-	(1.09)	-	-	1.09	-	-	-	-	
Exchange difference on consolidation	-	43.03	143.08	1.83	0.00	24.10	9.24	40.95	-	262.23	
Depreciation at end of the year	-	2,629.89	5,001.46	196.82	8.01	446.50	1,157.61	581.09	-	10,021.38	
Net book value at beginning of the year	891.66	5,516.80	3,290.70	283.98	6.93	237.67	242.66	212.90	-	10,683.30	
Net book value at end of the year	916.89	5,458.80	3,355.79	245.89	6.41	215.23	230.28	153.38	12.17	10,594.84	
As at 31.03.2013											Total Tangible Assets
	Land	Building and Roads	Plant and Machinery	Electrical Installation	Laboratory Equipment	Furniture and fixtures	Office Equipments	Motor Vehicles	Leased Motor Vehicles		
Cost at beginning of the year	862.64	7,597.89	6,828.92	439.30	10.34	612.53	1,133.23	799.69	-	18,284.54	
Additions	-	32.09	728.37	3.95	5.43	31.16	103.05	76.72	-	980.77	
Disposals	-	-	13.18	-	1.35	36.22	14.33	63.37	-	128.45	
Exchange difference on consolidation	29.02	176.04	114.42	3.08	-	12.25	53.13	29.92	-	417.86	
Cost at end of the year	891.66	7,806.02	7,658.53	446.33	14.42	619.72	1,275.08	842.96	-	19,554.72	
Depreciation at beginning of year	-	1,906.45	3,818.56	124.62	8.36	363.06	905.24	583.59	-	7,709.88	
Charge for the year	-	327.67	460.78	36.05	0.45	42.38	90.12	80.69	-	1,038.14	
Disposals	-	-	7.02	-	1.32	35.38	13.05	58.77	-	115.54	
Exchange difference on consolidation	-	55.10	95.51	1.68	-	11.99	50.11	24.55	-	238.94	
Depreciation at end of the year	-	2,289.22	4,367.83	162.35	7.49	382.05	1,032.42	630.06	-	8,871.42	
Net book value at beginning of the year	862.64	5,691.44	3,010.36	314.68	1.98	249.47	227.99	216.10	-	10,574.66	
Net book value at end of the year	891.66	5,516.80	3,290.70	283.98	6.93	237.67	242.66	212.90	-	10,683.30	

Tangible assets include with total gross book value of Rs. 137.47 lac (31.03.2013 : Rs 136.05 lac) and total accumulated depreciation of Rs 129.24 lac (31.03.2013 : Rs. 129.02 lac), acquired for in-house research recognised facility.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

12. Intangible assets (Acquired)

	Technical Know-how	Trade Mark	Computer Software	Total
	Rs. lac	Rs. lac	Rs. lac	Rs. lac
As at 31.03.2014				
Cost at beginning of the year	977.95	99.23	894.37	1,971.55
Additions	-	11.37	45.45	56.82
Exchange difference on consolidation	(126.84)	10.95	13.11	(102.78)
Cost at end of the year	851.11	121.55	952.93	1,925.59
Amortisation at beginning of the year	977.95	38.12	486.83	1,502.90
Charge for the period	-	19.29	139.17	158.46
Exchange difference on consolidation	(126.84)	4.95	7.21	(114.68)
Amortisation at end of the year	851.11	62.36	633.21	1,546.68
Net book value at beginning of the year	-	61.11	407.54	468.65
Net book value at end of the year	-	59.19	319.72	378.91

	Technical Know-how	Trade Mark	Computer Software	Total
	Rs. lac	Rs. lac	Rs. lac	Rs. lac
As at 31.03.2013				
Cost at beginning of the year	861.37	86.98	845.9	1,794.25
Additions	-	6.54	31.30	37.84
Exchange difference on consolidation	116.58	5.71	17.17	139.46
Cost at end of the year	977.95	99.23	894.37	1,971.55
Amortisation at beginning of the year	861.37	20.3	321.14	1,202.81
Charge for the period	-	16.03	160.40	176.43
Exchange difference on consolidation	116.58	1.79	5.29	123.66
Amortisation at end of the year	977.95	38.12	486.83	1,502.90
Net book value at beginning of the year	-	66.68	524.76	591.44
Net book value at end of the year	-	61.11	407.54	468.65

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

13. Non-current Investments
Trade Investments (At Cost)
Investment in Equity Shares

a) Other Investments

Quoted

i) HDFC Bank Limited

2,500 (31.03.2013: 2,500) Shares of Rs.2 each

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
0.05	0.05

Unquoted

ii) Tata Projects Limited

Nil (31.03.2013: 67,500) shares of Rs.100 each

-	233.75
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iii) Rujuvalika Investments Limited

137,500 (31.03.2013: 137,500) Shares of Rs.10 each

22.50	22.50
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iv) Twin Star Jupiter Co-operative Housing Society Limited

5 (31.03.2013: 5) Shares of Rs.50 each

*	*
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v) Lanka IOC Limited

27 (31.03.2013: 27) shares of SLR 2800 each

0.26	0.23
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vi) Nicco Jubilee Park Limited

30,000 (31.03.2013: 30,000) Shares of Rs.10 each

3.00	3.00
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Less: Provision for diminution in value

(3.00)	(3.00)
--------	--------

-	-
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22.81	256.53
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a) Aggregate amount of Quoted investments

0.05	0.05
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Market value of quoted investments

18.72	16.97
-------	-------

b) Aggregate amount of Unquoted investments

25.76	259.48
-------	--------

25.81	259.53
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c) Aggregate provision for diminution value of non-current investments

(3.00)	(3.00)
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22.81	256.53
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* represent values below Rs.1,000

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

14. Loans and advances

	As at 31.03.2014		As at 31.03.2013	
	Long-term	Short-term	Long-term	Short-term
	Rs. lac	Rs. lac	Rs. lac	Rs. lac
(a) Capital advances				
Considered good	4.53	-	142.62	-
Considered doubtful	90.58	-	-	-
	95.11	-	142.62	-
Less: Provision for doubtful advances	90.58	-	-	-
	4.53	-	142.62	-
(b) Security deposits				
Considered good	448.83	208.17	472.72	152.85
Considered doubtful	-	67.12	-	67.12
	448.83	275.29	472.72	219.97
Less: Provision for doubtful deposits	-	67.12	-	67.12
	448.83	208.17	472.72	152.85
(c) Advance with public bodies				
i) Service tax	-	808.31	-	664.91
ii) Excise	99.90	1,542.60	7.29	915.41
iii) Sales tax/Value added tax				
Considered good	34.26	2,620.47	16.34	2,631.07
Considered doubtful	-	27.19	-	30.15
	34.26	2,647.66	16.34	2,661.22
Less: Provision for doubtful advances	-	27.19	-	30.15
	34.26	2,620.47	16.34	2,631.07
(d) Loans and advances to related parties	-	-	-	-
(e) Other loans and advances				
i) Retirement benefit assets	13.00	-	12.47	-
ii) Prepayments	813.03	910.49	320.53	777.60
iii) Advance to suppliers	-	2,399.07	-	2,498.65
iv) Others	735.85	443.36	6.39	1,239.11
(f) Advance income tax	2,663.76	-	1,371.76	-
(g) MAT Credit	39.00	38.77	-	66.05
Total Loans and advances	4,852.16	8,971.24	2,350.12	8,945.65
Classification of loans and advances				
Unsecured, considered good	4,852.16	8,971.24	2,350.12	8,945.65
Unsecured, considered doubtful	90.58	94.31	-	97.27
Gross loans and advances	4,942.74	9,065.55	2,350.12	9,042.92

for the year ended 31st March, 2014

Other Non-current assets	As at 31.03.2014	As at 31.03.2013
	Rs. lac	Rs. lac
Trade Receivables (Unsecured, considered good)		
Long-term trade receivables	7.20	512.05
	7.20	512.05
Inventories and contracts in progress		
a) Inventories		
i) Raw materials (At lower of cost and net realisable value)	7,984.07	10,746.77
ii) Work-in-progress (At lower of cost and net realisable value)	2,596.90	3,309.60
iii) Finished products (At lower of cost and net realisable value)	4,901.38	3,935.53
iv) Stock in trade (At lower of cost and net realisable value)	922.86	1,067.96
v) Stores, loose tools and spare parts (At or lower than cost)	368.27	495.29
b) Contracts in Progress	2,916.17	8,647.50
Total inventories	19,689.65	28,202.65
Included above, goods-in-transit:		
Raw materials	494.14	744.89
Trade receivables		
Current trade receivable		
(a) Outstanding for a period of exceeding six months(from the date they were due for payment)		
Considered good	7,306.93	7,337.22
Considered doubtful	4,953.25	3,178.98
Less: Provision of doubtful debts	(4,953.25)	(3,178.98)
	7,306.93	7,337.22
(b) Others (Refer note below)		
Considered good	52,923.94	54,807.89
Considered doubtful	299.63	-
Less: Provision of doubtful debts	(299.63)	-
	52,923.94	54,807.89
Net current trade receivables	60,230.87	62,145.11
Classification of current trade receivables		
Unsecured, considered good	60,230.87	62,145.11
Unsecured considered doubtful	5,252.88	3,178.98
Total current trade receivables	65,483.75	65,324.09
Note:		

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

18. Cash and bank balances

Cash and cash equivalents

- (a) Cash on hand
- (b) Cheques on hand
- (c) Balances with banks
 - (i) In current accounts
 - (ii) In deposit accounts

Total cash and cash equivalents

Other bank balances

- In current accounts

Total cash and bank balances

Included above

- (i) Earmarked balance for unpaid dividend

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
24.05	31.92
172.84	150.82
5,266.49	6,095.06
32.34	80.88
5,495.72	6,358.68
33.26	37.16
5,528.98	6,395.84
33.26	37.16
2,320.33	1,567.81
678.17	4.24
2,998.50	1,572.05

19. Other current assets

- (a) Unbilled revenue
- (b) Others

Total other current assets

Note :

Unbilled revenue includes Rs. Nil (31.03.2013 Rs. 73 lac) of retention money which are recoverable on completion of the projects as per the terms of the relevant contract. The retention money are recoverable within the operating cycle of the Company but due after one year.

20. Revenue from operations

- (a) Revenue from project business
- (b) Sale of products
- (c) Sale of services

Revenue from Operations (Gross)

Less: Excise duty on sale of products

Revenue from Operations (Net)

For the Year ended 31.03.2014	For the Year ended 31.03.2013
Rs. lac	Rs. lac
50,254.57	48,040.74
67,488.00	64,066.01
3,323.66	2,844.38
121,066.23	114,951.13
3,612.84	3,468.70
117,453.39	111,482.43
-	1.24
43.94	-
580.24	5.54
34.01	67.50
44.15	-
53.39	175.36
-	100.39
29.28	125.81
658.57	341.89
1,443.58	817.73

21. Other income

- (a) Interest income
 - i) From non-current investments
 - ii) On income tax refund
 - iii) Others
- (b) Dividend income from non-current investments
- (c) Net gain on sale of fixed assets
- (d) Liabilities/provision no longer required written back
- (e) Bad debts recovered
- (f) Incentive received from State Government
- (g) Miscellaneous income

Total other income

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

22. Cost of materials consumed
Raw materials Consumed

- (a) Opening stock
- (b) Add: Purchases
- (c) Add: Exchange difference on consolidation
- (d) Less: Closing stock

Total raw materials consumed

For the Year ended 31.03.2014	For the Year ended 31.03.2013
Rs. lac	Rs. lac
10,746.77	9,833.45
57,372.49	72,203.83
68,119.26	82,037.28
594.11	507.88
68,713.37	82,545.16
7,984.07	10,746.77
60,729.30	71,798.39

23. Changes in Inventories of finished products, work in progress, stock in trade and contracts in progress
Inventories and contract in progress at the beginning of the year

- (a) Stock in trade
- (b) Finished products
- (c) Work-in-progress
- (d) Contracts in progress

Foreign exchange movement

- (a) Add: Exchange difference on consolidation

Inventories and contract in progress at the end of the year

- (a) Stock in trade
- (b) Finished products
- (c) Work-in-progress
- (d) Contracts in progress

Net (increase)/decrease

1,067.96	942.63
3,935.53	2,994.61
3,309.60	2,990.52
8,647.50	2,966.48
16,960.59	9,894.24
708.75	177.85
17,669.34	10,072.09
922.86	1,067.96
4,901.38	3,935.53
2,596.90	3,309.60
2,916.17	8,647.50
11,337.31	16,960.59
6,332.03	(6,888.50)

24. Employee benefits expense

- (a) Salaries and wages, including bonus
- (b) Contribution to provident and other funds
- (c) Staff welfare expenses

Total employee benefits expense

9,166.35	9,666.78
1,056.88	1,404.43
666.13	716.22
10,889.36	11,787.43

25. Finance costs

- (a) Interest expense
- (b) Bank charges
- (c) Net loss on foreign currency transactions and translation

Total finance costs

5,328.29	4,994.39
558.09	406.36
-	93.24
5,886.38	5,493.99

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

26. Depreciation and amortisation expense

- (a) Depreciation and amortisation for the year on tangible assets as per Note 11.
(b) Depreciation and amortisation for the year on Intangible assets as per Note 12.

Total depreciaton and amortisation expense

27. Other expenses

- (a) Consumption of stores, spare parts and loose tools
(b) Repairs to buildings
(c) Repairs to plant and machinery
(d) Repairs to others
(e) Power and fuel
(f) Rent
(g) Rates,taxes and licences
(h) Taxes and duties (Net)
 i) Sales tax
 ii) Excise duty
 iii) Service tax
(i) Insurance charges
(j) Freight and handling charges
(k) Service Charges
(l) Travelling, conveyance and car running expenses
(m) Professional fees
(n) Provision for doubtful debts
(o) Bad debts written off
(p) Liquidated damages
(q) Provision for estimated losses on onerous contracts
(r) Provision for warranty expenses
(s) Other general expenses
 i) Loss on foreign currency transactions (Net)
 ii) Directors' fee
 iii) Net Loss on sale of tangible fixed assets
 iv) Telephone expenses
 v) Auditors remuneration and out-of-pocket expenses
 As Auditors - statutory audit
 For Taxation matters
 For Other services
 Auditors out-of-pocket expenses
vi) Cost auditors' remuneration
vii) Others

Total other expenses

	For the Year ended 31.03.2014	For the Year ended 31.03.2013
	Rs. lac	Rs. lac
	1,075.52	1,038.14
	158.46	176.43
	1,233.98	1,214.57
	1,024.33	963.36
	491.95	600.69
	346.38	361.03
	95.42	88.69
	993.79	538.29
	630.07	1,208.83
	337.49	461.23
	461.37	564.57
	719.94	487.53
	746.75	942.14
	440.03	452.01
	3,430.19	3,755.06
	777.27	684.96
	1,701.70	1,834.88
	1,643.29	1,406.30
	2,156.75	1,593.36
	39.93	56.31
	-	27.14
	688.09	166.40
	114.59	156.41
	1,539.86	900.53
	68.11	24.12
	-	3.99
	242.57	253.61
	168.25	149.58
	22.88	16.98
	17.77	20.61
	5.32	7.99
	2.50	2.50
	1,162.53	1,458.63
	20,069.12	19,187.73

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

28. Additional information to the Financial Statements

28.01 Contingent Liabilities

- a) Sales tax matters in dispute relating to issues of applicability and classification #

In respect of the above sales tax matters in dispute, the Company has deposited Rs.15.37 lac (31.03.2013: Rs. Nil) against various orders, pending disposal of the appeals. This amount is included under Note 14 - Long term loans and advances.

- b) Excise duty and service tax matters in dispute relating to applicability and classification

In respect of the above excise and service tax matters in dispute, the Company has deposited Rs. 99.90 lac (31.03.2013: Rs.2.50 lac) against various orders, pending disposal of the appeals. This amount is included under Note 14 - Long term loans and advances.

- c) Income Tax matters in dispute

- d) Claims against the Company not acknowledged as debt
(Primarily of liquidated damages and other claims made by customers)

- e) Bank guarantee

- f) Others

Note:

Future cash outflows in respect of above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

Includes an amount of Rs. 18,388.57 lac (31.03.2013 Rs. 18,388.57 lac) towards differential tax and penalty charged by the Assessing Officer for the financial year 2005-06 to 2008-09. The Assessing Officer had originally passed the assessment order based on the returns filed by the Company. Subsequently based on an objection raised by the Accountant General's Office during their audit the assessing officer has raised this demand on 28.01.2013 for additional tax of Rs.5,985.90 lac and penalty of Rs.12,402.67 lac. The additional tax is computed by the assessing office based on the total turnover reported in the annual audited financial statements. The difference in the turnover as per the annual financial statements and the returns is on account of difference in revenue recognised as per Accounting Standard (AS) -7 Construction Contracts vis-a-vis bills actually raised on the customers and turnover from turnkey contracts which are executed outside the state of Jharkhand for which state of Jharkhand has no jurisdiction. The returns for those turnkey contracts are filed with the local VAT authorities of the respective states under the respective VAT laws. The assessing officer's contention of suppression in turnover is blatantly incorrect and hence the Company filed appeal with the Joint Commissioner. The Joint Commissioner after hearing the Company has passed orders remanding back the case for reassessment to the assessment officer. Based on the order the assessing officer has initiated reassessment procedures and the Company has filed its reply/documents called by the Assessing Officer. Neither company made any payment nor department has claimed any payment against above impugned demand in respect of appeal order.

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
20,679.32	20,273.09
1,690.82	1,013.91
1,543.90	1,021.57
3,502.48	4,587.84
469.26	226.51
156.74	153.26

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

28. Additional information to the Financial Statements (Contd.)

28.02 The Company's application seeking exemption from the provisions of the Employees State Insurance Act, 1948 has been rejected by the Department of Labour, Government of Jharkhand. The Company has filed an appeal with the High Court of Jharkhand at Ranchi against the order. In the absence of any demand from the authorities the amount of liability is not quantifiable.

28.03 Estimated amount of contracts remaining to be executed on capital account and not provided for

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
175.14	388.43

28.04 No provision has been made for liquidated damages and other claims by certain customers, wherever these have been refuted by the Company and the management expects to settle them without any loss. Pending settlement of these claims, they have been disclosed under contingent liabilities as Claims against the Company not acknowledged as debt. [Refer Note 28.01.(d)]. The related sundry debtors balances have been considered in the consolidated financial statements as fully recoverable.

28.05 Scrap and off-cuts generated at the contract sites are being accounted on cash basis, since segregation and quantification of such items at the financial year end are not practicable in view of the contracts being in progress.

28.06 Revision in projected profit/(loss) on contracts arising from change in estimates of cost to completion of contracts are reflected during the course of the work in each accounting year. These have not been disclosed separately in the Financial Statements as the effect cannot be accurately determined.

28.07 The Company is offering the retention money to income tax on due basis from the financial year 2005-06 onwards. Out of prudence the Company was providing for the current tax without considering this deferment. The Company's stand of deferring the retention money has been accepted by the tax authorities based on the legal decisions which came subsequently. Hence the during the current year the Company has recomputed the provision for current tax based on the income determined in the final assessment orders for the financial year 2005-06 to 2009-10 and based on the income offered to tax in the tax returns for the financial years 2010-11 to 2012-13. The Company has also the provided for the deferred tax on the net amount of retention deferred in the income tax returns.

28.08 Previous year's figures have been regrouped / reclassified where necessary to correspond with the current year's classification / disclosure.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

29. Disclosures under Accounting Standards

29.01 Details of contract revenue and costs as per Accounting Standard (AS) 7 - Construction contracts in respect of contracts entered on or after 01.04.2003 and in progress as at year end

- a) Contract revenue recognised as revenue during the year
- b) Aggregate amount of contract costs incurred and recognised profits (net of recognised losses) upto the reporting period

For the Year ended 31.03.2014	For the Year ended 31.03.2013
Rs. lac	Rs. lac
49,123.59	48,023.71
341,466.61	297,485.56

- c) Advances received for contracts in progress (Unadjusted)
- d) Retention money under contracts in progress
- e) Gross amount due from customers for contract work (asset)
- f) Gross amount due to customers for contract work (liability)

Note:

Contract revenue recognised and the stage of completion of contract in progress are determined based on the policies and methods disclosed in Note to the consolidated financial statements.

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
8,891.07	10,112.12
25,996.59	26,689.67
2,320.33	1,567.81
9,057.68	12,393.59

29.02 Employee Benefits

Defined Contribution plans[¥]

The Group has recognised an amount of Rs. 736.16 lac as expenses for the year ended 31.03.2014 (*Previous year Rs. 737.63 lac*) towards contribution to the following defined contribution plans:

Provident Fund
Employees Pension Scheme
Superannuation Fund
Employees state Insurance Scheme

Total

For the Year ended 31.03.2014	For the Year ended 31.03.2013
Rs. lac	Rs. lac
446.25	422.42
55.71	61.80
231.99	251.23
2.21	2.18
736.16	737.63

[¥] The above figures exclude contribution to social security funds by certain foreign subsidiaries.

Defined Benefit Plans

The Company provided the following employee benefits

Funded * : Gratuity

Non Funded: Compensated absence

Pension to Directors

* The gratuity benefit in Dutch Lanka Trailers Manufacturing Limited and Dutch Lanka Engineering Private Limited are not funded.

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

29. Disclosures under Accounting Standards (Contnd.)

29.02 Employee Benefits

Details of the Gratuity Plan are as follows

Description	2013-14 Rs. lac	2012-13 [@] Rs. lac
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at beginning of the year	1,518.16	1,163.40
b. Current service cost	129.94	120.89
c. Interest cost	104.80	85.76
d. Liabilities assumed from associate companies for transferred employees	-	0.47
e. Actuarial (gain)/loss	(20.90)	362.38
f. Benefits paid	(284.05)	(220.22)
g. Exchange difference on consolidation	6.03	5.48
h. Obligation as at end of the year	1,453.98	1,518.16
2. Change in fair value of plan assets		
a. Fair value of plan assets as at beginning of the year	1,080.62	1,061.07
b. Expected return on plan assets	91.33	97.04
c. Assets transferred from associate companies for transferred employees	-	14.08
d. Actuarial gain/(loss)	56.59	(9.49)
e. Contributions made by the company	401.81	138.14
f. Benefits paid	(284.05)	(220.22)
g. Fair value of plan assets as at end of the year	1,346.30	1,080.62
3. Reconciliation of fair value of plan assets and obligations		
a. Present value of obligation	1,453.98	1,518.16
b. Fair value of plan assets	1,346.30	1,080.62
c. Amount recognised in the balance sheet Asset/(Liability)	(107.68)	(437.54)
Disclosed under		
Note 04 - Long-term provisions	(120.68)	(466.64)
Note 09 - Long-term loans and advances	13.00	12.47
	(107.68)	(454.17)
Less : Net liability of PYE division	-	(16.63)
Net	(107.68)	(437.54)
4. Expenses recognised during the year		
a. Current service cost	129.94	120.89
b. Interest cost	104.80	85.76
c. Expected return on plan assets	(91.33)	(97.04)
d. Actuarial (gain)/loss	(77.49)	371.87
e. Expenses recognised during the year	65.92	481.48

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

29. Disclosures under Accounting Standards (Contd.)

29.02 Employee Benefits

Description	2013-14	2012-13 [@]			
5. Investment details	% invested	% invested			
a. Government of India Securities	25.96	18.30			
b. Public Sector Units (PSU) Bonds	31.83	27.94			
c. State/Central Government guaranteed securities	-	5.10			
d. Special deposit schemes	39.99	39.42			
e. Private Sector bonds	-	1.61			
f. Others (Including bank balances and balance with insurance company)	2.22	7.63			
	100.00	100.00			
6. Assumptions	%	%			
a. Discount rate (per annum)	9.00 to 9.31	8.10 to 8.50			
b. Estimated rate of return on plan assets (per annum)	8.00 to 8.70	8.00			
c. Rate of escalation in salary	7.00 to 10.00	7.00 to 10.00			
7. Experience adjustments	31.03.2014	31.03.2013	31.03.2012	31.03.2011	31.03.2010
a. Present value of obligation	1,453.98	1,518.16	1,114.92	1,093.76	992.61
b. Fair value of plan assets	1,346.30	1,080.62	1,061.07	970.15	973.71
c. Amount recognised in the balance sheet Asset/(Liability)	(107.68)	(437.54)	(53.85)	(123.61)	(18.90)
d. Experience adjustments on plan liabilities ((gain)/loss)	64.43	161.65	36.11	107.36	66.32
e. Experience adjustments on plan assets (gain/(loss))	56.59	(9.53)	(21.96)	(12.13)	10.35

[@] The disclosures for the previous year 2012-13 are exclusive of net liability of Rs. 16.63 lacs of Port and Yard Equipment division (P & YE)

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

29. Disclosures under Accounting Standards (Contd.)

29.02 Employee Benefits

Details of the Compensated absence Benefit (un-funded) are as follows

Description	2013-14 Rs. lac	2012-13 Rs. lac
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at beginning of the year	672.45	454.52
b. Current service cost	105.38	83.12
c. Interest cost	49.53	34.63
d. Assets transferred from associate companies for transferred employees		0.46
e. Actuarial (gain)/loss	(64.72)	200.39
f. Benefits paid	(127.68)	(101.27)
g. Exchange difference on consolidation	-	0.60
h. Obligation as at end of the year	634.96	672.45
2. Reconciliation of fair value of plan assets and obligations		
a. Present value of obligation	634.96	672.45
b. Fair value of plan assets	-	-
c. Amount recognised in the balance sheet Asset/(Liability)	(634.96)	(672.45)
Disclosed under		
Note 08 - Long-term provisions	545.41	593.68
Note 08 - Short-term provisions	282.30	265.63
	827.71	859.31
Less: Undiscounted provision of subsidiaries	192.75	186.86
Net	634.96	672.45
3. Expenses recognised during the year		
a. Current service cost	105.38	83.12
b. Interest cost	49.53	34.63
c. Actuarial gain/(loss)	(64.72)	200.39
d. Expenses recognised during the year	90.19	318.14
4. Assumptions	%	%
a. Discount rate (per annum)	9.00 to 9.31	8.10 to 8.50
b. Rate of escalation in salary	7.00 to 10.00	7.00 to 10.00
5. Experience adjustments	31.03.2014	31.03.2013
a. Present value of obligation	634.96	672.45
b. Experience adjustments on plan liabilities ((gain)/loss)	(12.87)	80.87
	31.03.2012	31.03.2011
a. Present value of obligation	454.52	405.80
b. Experience adjustments on plan liabilities ((gain)/loss)	60.01	42.05
	31.03.2010	
a. Present value of obligation	358.99	
b. Experience adjustments on plan liabilities ((gain)/loss)	54.87	

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

29. Disclosures under Accounting Standards (Contd.)

29.02 Employee Benefits

Details of the Post retirement Pension benefit (Un-funded) are as follows

Description	2013-14 Rs. lac	2012-13 Rs. lac
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at beginning of the year	718.67	593.44
b. Current service cost	43.43	37.00
c. Interest cost	56.19	49.14
d. Actuarial (gain)/loss	61.15	83.15
e. Benefits paid	(49.95)	(44.06)
f. Obligation as at end of the year	829.49	718.67
2. Expenses recognised during the year		
a. Current service cost	43.43	37.00
b. Interest cost	56.19	49.14
c. Actuarial gain/(loss)	61.15	83.15
d. Expenses recognised during the year	160.77	169.29
3. Assumptions		%
a. Discount rate (per annum)	9.00	8.10
b. Rate of escalation in salary	10.00	10.00
c. Indexation of pension	3.00	3.00
4. Experience adjustments	31.03.2014	31.03.2013
		31.03.2012
		31.03.2011
		31.03.2010
a. Present value of obligation	829.49	718.67
		593.44
		567.66
b. Experience adjustments on plan liabilities ((gain)/loss)	126.52	51.66
		16.56
		54.97
		(19.78)

29.03 Earnings per share

	For the Year ended 31.03.2014	For the Year ended 31.03.2013
	Rs. lac	Rs. lac
(a) Loss for the year attributable to equity shareholders	(2,886.91)	(9,169.04)
(b) Weighted average no. of ordinary shares for basic and diluted EPS (Nos)	11,004,412	11,004,412
(c) Nominal value per ordinary share (Rs.)	10	10
(d) Earnings/(loss) per ordinary share for the year (Rs.) - Basic	(26.23)	(83.32)
(e) Earnings/(loss) per ordinary share for the year (Rs.) - Diluted	(26.23)	(83.32)

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

29. Disclosures under Accounting Standards (Contd.)

29.04 Provision for Warranty

The Company extends warranty to certain products manufactured and sold by it. The Company provides for any anticipated warranty costs at the time of recognising the sale based on technical evaluation and estimated costs. The details of movement of provision for warranty are given below:

- (a) Opening balance at the beginning of the year
- (b) Provisions recognised during the year
- (c) Utilised for meeting the warranty costs
- (d) Un-utilised provisions reversed during the year
- (e) Exchange difference on consolidation
- (f) Closing balance at the end of the year

For the Year ended 31.03.2014	For the Year ended 31.03.2013
Rs. lac	Rs. lac
352.69	389.80
169.14	244.50
(172.38)	(211.55)
(16.75)	(66.10)
23.64	(3.96)
356.34	352.69

29.05 Segment Reporting

The Company has identified the business segments as primary segment for the purpose of reporting under Accounting Standards (AS) 17 - Segment Reporting . Revenues and expenses directly attributable to business segments are reported under the respective segments. Expenses which are not directly identifiable to each of the business segments have been allocated on the basis of associated revenues and manpower efforts. All other expenses which are not attributable or allocable to business segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to business segments are disclosed under the respective segments. All other assets and liabilities are included as part of unallocable. The Company has identified the following business segments as primary segments.

- (a) Products & Services
- (b) Projects & Services

29.05 Segment Reporting

				Rs. lac
	Product & Services	Projects & Services	Elimination	Total
Business segments				
Segment Revenue				
External Sales	64,851.36	52,602.03	-	117,453.39
	60,090.93	51,391.50	-	111,482.43
Inter segment revenue	11,086.63	-	(11,086.63)	-
	16,753.34	-	(16,753.34)	-
Total revenue	75,937.99	52,602.03	(11,086.63)	117,453.39
	76,844.27	51,391.50	(16,753.34)	111,482.43
Segment results	5,592.57	(5,451.99)	-	140.58
	6,305.16	(9,434.86)	-	(3,129.70)

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

29. Disclosures under Accounting Standards (Contd.)

29.05 Segment Reporting

				Rs. lac
	Product & Services	Projects & Services	Elimination	Total
Unallocated corporate expenditure (Net)				456.64 560.70
Operating profit/(loss)				(316.06) (3,690.40)
Interest expenses				5,328.29 5,087.63
Profit/(loss) before exceptional item				(5,644.35) (8,778.03)
Exceptional Item - Profit on Sale of non-current investments				2,972.50 -
Profit/(loss) before tax				(2,671.85) (8,778.03)
Tax				149.01 355.11
Profit/(loss) after tax				(2,820.86) (9,133.14)
Other information	Product & Services	Projects & Services	Unallocated	Total
Segment Assets and Liabilities				
Segment assets	60,171.63 56,879.39	46,726.29 57,681.25	- -	106,897.92 114,560.64
Unallocated corporate assets	- -	- -	23,805.27 23,088.61	23,805.27 23,088.61
Total assets	60,171.63 56,879.39	46,726.29 57,681.25	23,805.27 23,088.61	130,703.19 137,649.25
Segment liabilities	21,882.40 24,947.97	37,241.24 41,233.99	- -	59,123.64 66,181.96
Unallocated corporate liabilities			65,932.24 63,796.25	65,932.24 63,796.25
Total liabilities	21,882.40 24,947.97	37,241.24 41,233.99	65,932.24 63,796.25	125,055.88 129,978.21
Capital expenditure	759.89 850.23	53.74 94.19	19.82 74.19	833.45 1,018.61
Depreciation	1,084.10 959.62	133.35 82.48	16.53 172.47	1,233.98 1,214.57

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

29. Disclosures under Accounting Standards (Contd.)

29.05 Segment Reporting

Secondary Segment: Geographical

Revenue by Geographical market

India

Outside India

Additions to fixed assets

India

Outside India

Carrying value of Segment assets

India

Outside India

29.06 Group's share in the Assets, Liabilities, Income and Expenses with respect to Joint Venture

A. ASSETS

Non-current assets

- a) Fixed Assets (including capital work-in-progress)
- b) Deferred tax assets (Net)
- c) Long-term loans and advances

Current assets

- a) Inventories
- b) Trade receivables
- c) Cash and cash equivalents
- d) Short-term loans and advances

For the Year ended 31.03.2014	For the Year ended 31.03.2013
Rs. lac	Rs. lac
87,966.09	84,561.55
29,487.30	26,920.88
117,453.39	111,482.43
631.57	477.23
201.88	541.38
833.45	1,018.61
As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
82,563.87	91,742.00
24,334.05	22,818.64
106,897.92	114,560.64
As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
1,242.62	1,338.31
91.62	32.53
74.78	73.34
1,409.02	1,444.18
628.95	610.28
291.96	501.21
4.01	1.21
186.58	160.76
1,111.50	1,273.46
2,520.52	2,717.64

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

29. Disclosures under Accounting Standards (Contd.)

29.06 Group's share in the Assets, Liabilities, Income and Expenses with respect to Joint Venture (Contd.)

B. LIABILITIES

Non-current liabilities

- a) Long-term borrowings
- b) Long-term provisions

Current liabilities

- a) Short-term borrowings
- b) Trade Payables
- c) Other current liabilities
- d) Short-term provisions

29.06 Group's share in the Assets, Liabilities, Income and Expenses with respect to Joint Venture

C. INCOME

- a) Revenue from operations (Net)
- b) Other income

D. EXPENSES

- a) Operating and other expenses
- b) Depreciation
- c) Finance costs
- d) Tax expenses (Inclusive of deferred tax)

E. OTHER MATTERS

- a) Capital commitments
- b) Other commitments
- c) Contingent liabilities

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
187.50	375.00
8.01	7.85
195.51	382.85
420.31	614.74
679.71	420.07
380.27	311.24
13.35	18.73
1,493.64	1,364.78
1,689.15	1,747.63
For the Year ended 31.03.2014	For the Year ended 31.03.2013
Rs. lac	Rs. lac
2,518.28	4,391.67
59.20	147.87
2,577.48	4,539.54
2,556.10	4,311.48
97.39	115.94
123.54	188.71
(60.91)	(26.84)
2,716.12	4,589.29
As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
-	-
-	-
66.26	48.27

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

29. Disclosures under Accounting Standards (Contd.)

29.07 Leases

The break-up of total minimum lease payments due as on 31st March, 2014 for operating lease entered into by a Subsidiary for Argon gas storage tank are as follows:

Particulars

- a) Not more than one year
- b) Later than one year but not later than five years
- c) Later than five years

As at 31.03.2014	As at 31.03.2013
Rs. lac	Rs. lac
3.00	-
12.00	-
15.00	-
30.00	-

One of the subsidiary of the Company has taken certain vehicles on finance lease, having an aggregate cost of Rs. 12.17 lac (31.03.2013 : Nil). The break-up of total minimum lease payments for finance lease due as on 31st March, 2014 and their corresponding present value are as follows:

- a) Not more than one year
- b) Later than one year but not later than five years

As at 31.03.2014		As at 31.03.2013	
Minimum lease payments	Present Value	Minimum lease payments	Present Value
Rs. lac	Rs. lac	Rs. lac	Rs. lac
3.95	2.47	-	-
11.51	9.51	-	-

29.08 Related party disclosures:

Information on related party transactions as per Accounting Standards (AS) 18 - Related party Disclosures

A) List of related parties and relationship

Name of the related party

Tata Steel Limited

Key Managerial Personnel

Mr. Sudhir L Deoras

Nature of Relationship

Promoter Company holding more than 20%

Managing Director

Notes forming part of the consolidated financial statements

for the year ended 31st March, 2014

29. Disclosures under Accounting Standards (Contd.)

29.08 Related party disclosures:

	Promoter Company	Rs. lac Key Management Personnel
a) Transactions during the year		
i) Sales and services	23,467.08 17,400.72	
ii) Purchase of raw materials	1,610.59 1,794.31	
iii) Payment towards various services obtained	247.60 288.88	
iv) Lease rent paid	49.92 38.42	
v) Dividend paid	- 143.41	
vi) Sale of non-current investments to Kalimati Investments Limited [§]	3,206.25 -	
vii) Remuneration paid Mr. Sudhir Deoras		118.29 109.05
[§] Kalimati Investments Limited, a wholly owned subsidiary of Tata Steel Limited was merged with it with effect from 1 January 2013 vide order dated 4 April 2014 by the High Court of Bombay.		
b) Balances outstanding at end of the year		
i) Receivables	3,834.67 2,083.53	
ii) Claims against the Company not acknowledged as debt	187.38 520.27	
iii) Payables	193.60 473.01	

29.09 Previous year's figures have been regrouped / reclassified where necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

SUBODH BHARGAVA
Chairman

TARUN KR. SRIVASTAVA
Company Secretary

SUDHIR L. DEORAS
Managing Director

Place : Kolkata
Date : 2 May, 2014

Summary of Financial Information of Subsidiary Companies: 2013-14

Rs. in lac

Sl. No.	Name of Subsidiary company	Reporting Currency	Exchange Rate	Capital	Reserve	Total assets	Liabilities	Total Investment included in Total Assets	Turnover	Profit/(Loss) before Taxation	Provision for Taxation	Profit After taxation	Proposed Dividend	Country
1.	TRF Singapore Pte Ltd.	SGD	47.64	23,957.36	(1,853.66)	23,289.15	1,185.45	22,803.56	—	(155.81)	—	(155.81)	—	Singapore
2.	TRF Holdings Pte Ltd.#	SGD	47.64	—	(472.60)	8,401.85	8,874.45	8,393.88	—	(2.29)	—	(2.29)	—	Singapore
3.	York Transport Equipment (Asia) Pte Ltd	USD	60.199	6,859.25	2,644.98	31,249.71	21,745.48	8,886.75	21,230.86	(73.70)	65.30	(139.00)	—	Singapore
4.	York Transport Equipment (India) Pvt Ltd	INR	1	5,018.03	(2,122.58)	6,638.56	3,743.11	—	10,554.47	(365.57)	—	(365.57)	—	India
5.	York Transport Equipment Pty Ltd	AUD	55.698	3,397.58	(4,258.44)	4,794.41	5,655.27	—	7,304.29	(180.82)	(16.40)	(164.42)	—	Australia
6.	York Sales (Thailand) Company Limited	THB	1.852	0.46	1,633.05	1,714.48	80.97	—	2,097.30	194.58	40.06	154.52	—	Thailand
7.	York Transport Equipment (SA) (Pty) Limited	RAND	5.703	5.70	(180.42)	325.73	500.45	—	146.95	(1.53)	—	(1.53)	—	South Africa
8.	Rednet Pte Ltd.	USD	60.199	—	(537.26)	20.20	557.46	—	—	(3.01)	—	(3.01)	—	Singapore
9.	PT York Engineering	RUPIAH	0.005	45.99	(242.60)	8.25	204.86	—	—	(32.21)	—	(32.21)	—	Indonesia
10.	YTE Special Products Pte Ltd	USD	60.199	—	711.44	1,932.30	1,220.86	1,842.05	—	17.66	(56.37)	74.03	—	Singapore
11.	Qingdao YTE Special Products Co. Limited	CNY	9.661	161.52	(467.70)	2,086.28	2,392.46	—	5,313.46	49.17	—	49.17	—	China
12.	YORK Transport Equipment (Shanghai) Co. Ltd.	CNY	8.65	1,622.83	102.64	3,232.94	1,507.47	—	6,466.89	(166.83)	8.55	(175.37)	—	China
13.	Aditya Automotive Applications Private Limited	INR	1	700.00	328.57	3,306.64	2,278.07	—	7,588.74	259.80	96.50	163.30	—	India
14.	Dutch Lanka Trailer Manufacturers Limited	LKR	0.46	700.61	715.40	4,153.67	2,737.66	1,997.74	4,853.94	(117.06)	3.59	(120.65)	—	Srilanka
15.	Dutch Lanka Engineering (Private) Limited	LKR	0.46	52.90	192.94	534.50	288.66	—	671.50	(94.63)	(0.16)	(94.47)	—	Srilanka
16.	Dutch Lanka Trailers LLC	OMR	156.04	234.06	(21.37)	309.18	96.49	—	190.16	(49.03)	—	(49.03)	—	Oman
17.	Hewitt Robins International Ltd	GBP	99.95	2.00	3,467.23	4,676.61	1,207.38	—	2,417.77	514.74	120.94	393.80	—	United Kingdom
18.	Hewitt Robins International Holding Ltd	GBP	99.95	—	1,073.55	3,072.53	1,998.98	3,072.53	—	—	—	—	—	United Kingdom

Notes

Partners in Material Handling

It is good
to see that once again
TRF is delivering on its
commitments...
Congratulations to
team TRF...

NTPC, Vindyanal

DVC, Raghunathpur

Deputy General Manager
(Corporate Contracts), NTPC



TRF products are
known for durability
and reliability





TRF Limited
A **TATA** Enterprise

Corporate Social Responsibility



Registered Offices and Works

11, Station Road, Burmamines, Jamshedpur - 831007, Jharkhand, India

Ph No : (0657) 3046326 / 250 / 500, Fax : (0657) 2345732

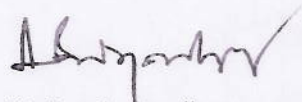
E-mail : co@trf.co.in, investors@trf.co.in

www.trf.co.in

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

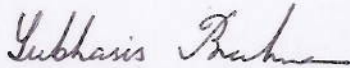
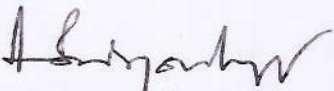
Name of the Company:	TRF Limited.
Standalone financial statements for the year ended	March 31, 2014
Type of Audit observation	Emphasis of Matter We draw attention to Note No.2.10, with respect to total contract cost being ascertained based on the contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future. Owing to the technical nature of the contracts, we have relied on the management estimates relating to the technical aspects/components and other technical inputs/matters considered in the determination of expected cost to completion of the contracts. Our report is not qualified in this regard. Relevant note in the financial statement “Revenue from contracts are recognised on percentage completion method specified under Accounting Standard (AS) 7 - Construction Contracts. The stage of completion is determined as a proportion that contract costs incurred for work performed up to the closing date bear to the estimated total costs of respective project. Profit (contract revenue less contract cost) is recognised when the outcome of the contract can be estimated reliably and for contracts valued up to Rs. 100 crores, profit is recognised when stage of completion is 40% or more, and for contracts valued more than Rs. 100 crores, profit is recognised either at 25% stage of completion or an expenditure of Rs. 40 crores whichever is higher. When it is probable that the total cost will exceed the total revenue from the

	contract, the expected loss is recognised immediately. For this purpose total contract costs are ascertained on the basis of contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future including for contingencies etc.."
Frequency of observation	Repeat
To be signed by-	
☒ Managing Director	 (Sudhir L. Deoras, Managing Director)
☒ Chief, Finance and Accounts	 (S. Brahma, Chief, Finance & Accounts)
☒ Audit Committee Chairman	 (Dipankar Chatterji, Chairman-Audit Committee)
Place : Kolkata Date: May 2,2014 Refer our Audit Report dated May 2, 2014 on the standalone financial statements of the Company For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No. 302009E)  Abhijit Bandyopadhyay (Partner) (Membership No054785) Kolkata,May 2,2014	

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

Name of the Company:	TRF Limited
Consolidated financial statements for the year ended	March 31, 2014
Type of Audit observation	Emphasis of Matter We draw attention to Note No 2.10 with respect to total contract cost being ascertained based on the contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future. Owing to the technical nature of the contracts, we have relied on the management estimates relating to the technical aspects/components and other technical inputs/matters considered in the determination of expected cost to completion of the contracts. Our report is not qualified in this regard. Relevant note in the financial statement "Revenue from contracts are recognised on percentage completion method specified under Accounting Standard (AS) 7 - Construction Contracts. The stage of completion is determined as a proportion that contract costs incurred for work performed up to the closing date bear to the estimated total costs of respective project. Profit (contract revenue less contract cost) is recognised when the outcome of the contract can be estimated reliably and for contracts valued up to Rs. 100 crores, profit is recognised when stage of completion is 40% or more, and for contracts valued more than Rs. 100 crores, profit is recognised either at 25% stage of completion or an expenditure of Rs. 40 crores whichever is higher. When it is probable that the total cost will exceed

	the total revenue from the contract, the expected loss is recognised immediately. For this purpose total contract costs are ascertained on the basis of contract costs incurred and cost to completion of contracts which is arrived at by the management based on current technical data, forecast and estimate of net expenditure to be incurred in future including for contingencies etc."
Frequency of observation	Repeat.
To be signed by-	
☒ Managing Director	 (Sudhir L. Deoras, Managing Director)
☒ Chief, Finance and Accounts	 (S. Brahma, Chief, Finance & Accounts)
☒ Audit Committee Chairman	 (Dipankar Chatterji, Chairman-Audit Committee)
Place : Kolkata Date: May 2, 2014 Refer our Audit Report dated May 2, 2014 on the Consolidated financial statements of the Company For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No. 302009E)  Abhijit Bandyopadhyay (Partner) (Membership No 054785) Kolkata, May 2, 2014	