



TRF Limited
A **TATA** Enterprise



50 years of service
to the nation

Jamsetji N Tata,
(Founder Tata Group)



50th Annual Report
2012-13



Mr S Deoras & Mr R Pandey receiving Mr Cyrus Mistry & Mr Ratan Tata



Mr S Deoras presenting to Mr Cyrus Mistry & Mr Ratan Tata



Enjoying meeting employees



Mr Ratan Tata taking interest in YORK's products



Mr Cyrus P Mistry, Chairman, Tata Sons paying tributes to The Founder



Mr Cyrus P Mistry addressing the employees



With union committee member



Getting an overview of TRF's business

Mr. Cyrus P Mistry,
Chairman, Tata Sons
and Mr. Ratan N Tata visit TRF
on its Golden Jubilee

BOARD OF DIRECTORS

(As on May 14, 2013)

Mr. Subodh Bhargava - Chairman

Mr. B. D. Bodhanwala

Mr. Ram Prit Singh

Mr. Ranaveer Sinha

Mr. R. V. Raghavan

Mr. Dipankar Chatterji

Mr. Sudhir L. Deoras - Managing Director

MANAGEMENT

(As on May 14, 2013)

Mr. Sudhir L. Deoras - Managing Director

Mr. Hemant C. Kharkar - Chief Operating Officer

Mr. P. K. Tibdewal - Vice President (Product Business)

Mr. Ranjit Sanyal - Chief, Projects

Mr. Ashish Banerjee - Chief, BMHE

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

Citibank N. A.
DBS Bank
Dena Bank
HDFC Bank

IDBI Bank
Indian Bank
IndusInd Bank
State Bank of India

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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50th Annual General Meeting will be held on Friday, August 2, 2013 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

The 50th Annual General Meeting of TRF Limited will be held at the Auditorium of the Shavak Nanavati Technical Institute, 'N' Road, Bistupur, Jamshedpur-831001, on Friday, August 2, 2013 at 12:00 noon to transact the following business:

1. To receive, consider and adopt the audited Profit and Loss Account of the Company for the year ended March 31, 2013, the Balance Sheet as at that date and the report of the Directors and Auditors.
2. To appoint a Director in place of Mr. R.V.Raghavan, who retires by rotation and is eligible for re-appointment.
3. To appoint a Director in place of Mr. Dipankar Chatterji, who retires by rotation and is eligible for re-appointment.
4. To appoint Auditors and to fix their remuneration.

Special Business:

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, as amended up-to-date, the Company hereby approves the re-appointment and terms of remuneration of Mr. Sudhir L. Deoras as the Managing Director of the Company, for a further period of three years (subject to being co-terminus with the date of his retirement in accordance with the Tata Steel Group Retirement Policy) with effect from April 01, 2013, upon the terms and conditions as set out in the draft agreement submitted to this meeting and for identification signed by a director, authorizing the Board of Directors and/or a Committee of the Board to fix his salary within the scale from time to time, increasing thereby proportionately value of the benefits relating to the salary, as set out in the agreement, with the liberty to the Board of Directors and/or a Committee of the Board to alter and vary the terms and conditions of re-appointment and/or agreement in such manner as may be agreed to by and between the Board of Directors and Mr. Sudhir L. Deoras within the applicable provisions of the Companies Act, 1956."

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

"RESOLVED THAT pursuant to provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956 and Article 101 of the Article of Association of the Company, a sum not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of the Section 198, 349 and 350 of the Companies Act, 1956, be paid to and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director and the Whole-time Director/s) in such amounts or proportions and in such a manner and in all respects as may be directed by the Board of Directors and such payment shall be made in respect of the profits of the Company for each of the period of five years commencing from the financial year 2013-14."

NOTES:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- b) The relative Explanatory Statements, pursuant to Section 173 of the Companies Act, 1956, in respect of the business under Item Nos. 5 and 6 above, are annexed hereto. The relevant details of directors seeking appointments/re-appointment under Item Nos. 2, 3 and 5 above, as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges are also annexed.
- c) The Registers of Members and share transfer books of the Company will remain close from Wednesday, July 17, 2013 to Tuesday, July 23, 2013 (both day inclusive).

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- d) As per the provision of Companies Act, 1956, facility for making nomination is now available to the Shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registered Office or the Registrars & Transfer Agents of the Company.
- e) Shareholders holding shares in the physical form are requested to notify any change in their address/mandate/bank details to TSR Darashaw Private Limited, the Registrars and Transfer Agents to facilitate better services.
- f) Pursuant to Section 205C of the Companies Act, 1956, 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 and no claims shall be tenable either by the Company or by the said Fund, after the transfer of the said amount.

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.

- g) Members, who still have their holdings in physical form are requested to convert them into dematerialized form (under ISIN No. INE391D01019).
- h) 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.

- i) The Company has reviewed the formalities/ procedure for transmission of shares of deceased shareholders in favour of survivor(s). Survivor(s) of the deceased shareholders are advised to forward their requests with full details and supporting documents to the Registrars & Transfer Agents of the Company, for early transmission of shares.
- 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.

By Order of the Board of Directors

Registered Office:
11, Station Road,
Burmamines,
Jamshedpur- 831007

Tarun Kumar Srivastava
Company Secretary

May 14, 2013

ANNEXURE TO NOTICE

Explanatory Statements pursuant to Section 173(2) of the Companies Act, 1956

As required under Section 173 of the Companies Act, 1956 (hereinafter referred to as 'the Act') the following Explanatory Statement sets out all material facts relating to the special business mentioned in Item No.5 and Item No.6 of the accompanying Notice dated May 14, 2013, convening the meeting.

Item no. 5

The three years term of Mr. Sudhir L. Deoras, Managing Director of the Company has expired on March 31, 2013. On February 7, 2013, the Board of Directors re-appointed Mr. Sudhir L. Deoras as the Managing Director of the Company for a further period of three years (subject to being co-terminus with the date of his retirement in accordance with the Tata Steel Group Retirement Policy), with effect from April 01, 2013, subject to the approval of the Shareholders.

Mr. Sudhir L. Deoras has wide experience of over forty years in various capacities. He was in charge of Tata Steel Bearing Division at Kharagpur before he took over as the Managing Director of Tata International Limited. From Tata International Limited he was moved to Tata Sponge Iron Limited as Joint Managing Director. Mr. Deoras was appointed as Managing Director of TRF with effect from April 01, 2007. During his tenure the scale of operations of TRF has grown significantly and the Company has diversified itself into auto application business, marking its business presence in several countries. The re-appointment of Mr. Sudhir L. Deoras as the Managing Director is in the best interests of the Company.

The Board of Directors of your Company, therefore, re-appointed Mr. Deoras as the Managing Director, subject to the approval of Shareholders.

The principal terms and conditions for re-appointment of Mr. Sudhir L. Deoras as Managing Director and as set out in the draft agreement are as under:

1. REMUNERATION

A) SALARY

In the grade of Rs. 50,000/- to Rs. 5,00,000/- with the basic salary of Rs.3,80,000/- per month with effect from April 1, 2013, with the authority to the Board/Committee thereof to fix the salary within the said maximum amount from time to time.

The annual increment, which will be effective from 1st April each year, will be decided by the Board and will be merit based and take into account Company's performance.

B) PERQUISITES AND ALLOWANCES

- a. In addition to the salary and commission or performance linked remuneration payable, Mr. Sudhir L. Deoras, shall also be entitled to the following perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance and/or house maintenance allowance in lieu thereof, together with reimbursement of expenses and/or allowances as may be applicable from time to time; medical reimbursement/ allowances; leave travel concession/ allowances for himself and his family*; and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board or Committee thereof and Mr. Sudhir L. Deoras, subject to a maximum of 140% of the basic salary, provided that the total remuneration payable to Mr. Sudhir L. Deoras, as Managing Director, shall not exceed the limits stipulated under the Companies Act, 1956. Further, Mr. Sudhir L. Deoras will be entitled to transfer all his accumulated leave in any of the Tata Group Companies.

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- I) Rent free residential accommodation provided by the Company

OR

In case no residential accommodation is provided by the Company, the Managing Director shall be entitled to house rent and house maintenance allowance

- 85.00 % of salary

- II)

- i) Allowance for helper/ education of children /personal accident insurance/ club membership fees/ other allowances

- 38.34% of salary

- ii) Medical Allowance

- 8.33% of salary

- iii) Leave travel concession/ Allowance

- 8.33% of salary

55% of salary

(Total I+II)

140% of Salary

- III) The Managing Director shall be entitled to a provision of motor car maintained by the Company with driver and telecommunication facilities (expanding from telephone at residence to cover broadband, internet, fax, etc., apart from the telephone at residence).

- IV) (i) The Managing Director shall be entitled to Medical expenses for major illness and hospitalisation expenses.

(ii) Income Tax valuation of Housing Loan perquisite (Presently computed at 10.75% less interest charged).

- V) Such remuneration by way of commission, in addition to the salary and perquisites payable calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board /Committee thereof at the end of each financial year, subject to the overall ceilings stipulated in Sections 198 and 309 of the Companies Act, 1956. The commission payable to Mr. Sudhir L. Deoras shall range between half and twice the amount of annual salary to be determined by the Board at the end of each Financial Year.

"OR"

Performance Linked remuneration not exceeding twice the annual salary as may be determined by the Board / Committee thereof will be payable to Mr. Sudhir L. Deoras.

The specific amount payable to Mr. Sudhir L. Deoras will be based on certain performance criteria to be laid down by the Board and will be payable annually after the Annual Accounts have been approved by the Board and adopted by the Shareholders.

- b. For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.
- c. Company's contribution to Provident Fund and Superannuation Fund will not be included for computation of perquisites to the extent these singly or put together are not taxable under the Income Tax Act. Gratuity payable as per the rules of the Company and encashment of leave as per rules of the Company shall not be included for the computation of limits for the remuneration or perquisites aforesaid.

*Explanation: For the purpose of this clause family means the wife, dependent children and dependent parents of Mr. Sudhir L. Deoras.

C) MINIMUM REMUNERATION

Notwithstanding anything to the contrary herein contained, if in any financial year during the currency of the tenure of Mr. Sudhir L. Deoras, the Company has not made any profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites within the limits specified in Schedule XIII of the Companies Act, 1956 as modified from time to time.

2. Mr Sudhir L. Deoras shall not be entitled to supplement his earnings under the Agreement with any buying or selling commission. He shall not also become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company, without the prior approval of the Central Government and this Agreement shall cease and determine upon the contravention of the provisions of this clause.
3. The terms and conditions of the said re-appointment / agreement may be altered and/or varied from time to time by the Board or Committee thereof as it may in its discretion, deem fit, within the maximum amount payable to Mr Sudhir L. Deoras in accordance with Schedule XIII to the Companies Act, 1956, or any amendments made hereafter in this regard or in excess of limits specified under Schedule XIII to the Companies Act with the approval of the Central Government.
4. Earned/Privileged leave will be allowed to Mr Sudhir L. Deoras as per the rules of the Company.
5. Mr Sudhir L. Deoras as Managing Director shall not be entitled to sitting fees for attending meetings of the Board of Directors of the Company or any Committee or Committees thereof.
6. Mr Sudhir L. Deoras shall be entitled to reimbursement of entertainment expenses actually and properly incurred by him in the course of legitimate business of the Company.
7. The Agreement may be terminated by either party giving the other party six month's notice or the Company paying six month's salary in lieu thereof.
8. If at any time Mr Sudhir L. Deoras ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Managing Director.
9. If at any time Mr Sudhir L. Deoras ceases to be in the employment of the Company for any cause whatsoever, he shall cease to be a Director of the Company.
10. If at any time Mr Sudhir L. Deoras ceases to be a Managing Director of the Company for any cause whatsoever, he shall cease to be a Director of the Company.
11. Mr Sudhir L. Deoras has declared to the Company that he does not suffer from any of the disabilities detailed in Clause (a), (b) and (d) of part I of Schedule XIII, as also those listed in Section 267 and 274(1) of the Companies Act, 1956 and his re-appointment is inter-alia based on the representations made in the said declaration.
12. The Managing Director shall not have the following powers :
 - i) power to make calls on shareholders in respect of monies unpaid on shares in the company.
 - ii) power to issue debentures
 - iii) power to invest the funds of the Company in shares, stock and securities.

In accordance with the provisions of Sections 198, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, as amended up-to-date, the terms of re-appointment of Mr. Sudhir L. Deoras are placed before the Members in the Annual General Meeting for their approval. In the event the Company has no profits or inadequate profits in a financial year, approval of the shareholders is sought by way of Special Resolution for payment of remuneration to Mr. Sudhir L. Deoras, as Managing Director, as laid down in Section II of Part II of Schedule XIII of the Companies Act, 1956. This will be valid for the aforesaid period of his re-appointment. The remuneration to be paid in the event of Loss/inadequate profit shall be as approved by Remuneration Committee.

The draft agreement to be entered into with Mr. Sudhir L. Deoras is available for inspection by Members of the Company at its Registered Office between 11.00 AM to 1.00 PM on any working day, except on Saturdays.

No other Director of the Company, except Mr. Sudhir L. Deoras, is concerned or interested in the resolution.

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Item no. 6

At the 45th Annual General Meeting of the Company held on June 21, 2008, in terms of Section 309(4) of the Companies Act, 1956, members had passed a special resolution for payment of commission to Non-Executive Directors for a period of 5 years with effect from Financial Year 2008-09. This special resolution has expired in Financial Year 2012-13. Considering the increase in the Company's activities and consequent increase in responsibilities of the Directors, it is proposed that in terms of Section 309(4) of the Companies Act, 1956, the Non-Executive Directors of the Company (other than the Managing Director and Whole-time Director/s) should continue to be paid commission for the next five Financial Years at the rate not exceeding One percent per annum of the net profits of the Company computed in accordance with the provisions of the Companies Act, 1956 with authority to the Board to decide the maximum amount of commission to be paid to all the Directors each year, with effect from Financial Year 2013-14. This commission will be distributed amongst all or some of the Directors in accordance with the directions given by the Board.

All Directors of the Company, except the Managing Director, are concerned or interested in the resolution set in Item No. 6 of the Notice to the extent of the Commission that may be received by them.

By Order of the Board of Directors

Registered Office:

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

Tarun Kumar Srivastava
Company Secretary

May 14, 2013

**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. R.V.Raghavan	Mr. Dipankar Chatterji	Mr. Sudhir L. Deoras
Date of Birth	04-04-1942	23-08-1948	01-08-1951
Date of Appointment	23-10-2007	21-06-2008	22-01-2007
Expertise in specific functional areas	Finance, General Management	Finance & Accounts	Engineering
Qualifications	B.Com, F.C.A. (England & Wales), A.M.P.(Harvard)	B.Com(Hons.), F.C.A.	B.E.(Mech.), PGDEM(JTI)
Directorship held in other public companies (excluding foreign companies) as on 31.03.2013	Rane Engine Valve Ltd	1) Hindustan National Glass & Industries Ltd 2) West Bengal Industrial Development Corporation Ltd 3) Nicco Ventures Ltd 4) Peerless Financial Services Ltd 5) The Calcutta Stock Exchange Ltd 6) Texmaco Infrastructure & Holdings Ltd	NIL
Membership/Chairmanship of Committees of other public companies (includes only Audit Committee and Shareholders' /Grievance Committee) as on 31.03.2013	NIL	Hindustan National Glass & Industries Ltd - Audit Committee Member West Bengal Industrial Development Corporation Ltd - Audit Committee Chairman Texmaco Infrastructure & Holdings Ltd - Audit Committee Member	NIL
Shareholding in TRF Limited	NIL	NIL	NIL

Information relevant to the re-appointment of Mr. Sudhir L. Deoras as the Managing Director as per Notification No. G.S.R. 36-E dated January 16, 2002 issued by the Department of Company Affairs:

I. GENERAL INFORMATION

(1) Nature of Industry: Engineering

Over the last five decades, TRF has emerged as a pioneer in solutions for material handling equipment and processing systems required in the infrastructure development. In quest of rapid growth, TRF has also diversified into automotive applications business.

The Company has three business units which cater to the material handling requirements of customers in the core infrastructure sectors of the economy. TRF Limited undertakes turnkey projects for infrastructure development industries such as power and steel plants, cement, ports and mining projects. TRF's material handling products and systems are well

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known in the market, in India and overseas, for their reliability, productivity and longevity. The Company has been constantly upgrading and developing new products and systems with the help of internationally reputed enterprises who have cutting edge technical expertise.

The Company's subsidiary, York Transport Equipment (Asia) Pte Limited, Singapore is engaged in the business of trailer undergear, which includes axles, suspension and other components, with market presence in several countries. York Transport Equipment (Asia) Pte Ltd has manufacturing facilities in Singapore, Australia, China and India. TRF has also set up Adithya Automotive Applications Private Limited, an automotive applications unit for a fixed body truck application in India. The objective of this venture is to engage in automotive applications and provide end-to-end solutions through fabrication and machining for tippers, load bodies, refrigerated bodies, etc. TRF acquired the Dutch Lanka Trailer (DLT) Manufacturers Limited, Sri Lanka. DLT is a world class trailer manufacturing company and exports to many countries.

TRF's skilled manpower meets the expectation of its customers by continuously adopting new technology, upgrading skills and serving its customers on time. They also use several process improvement tools and techniques like TOC-CCPM, quality circles, knowledge management, cross functional teams, etc to attain the highest level of productivity. TRF, with the help of advanced design and analysis software, constantly innovates, enhances efficiency and improves reliability of its products and systems which enable it to maintain leadership in the market.

- (2) **Expected date of commencement of commercial production:** Not applicable.
- (3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**
Not applicable.
- (4) **Financial performance during last three years:**

(Rs. in lakhs)

Financial Parameters	2012-13	2011-12	2010-11
Turnover (Sales)	64,660.64	80,231.05	72,358.02
Net Profit/(Loss) as per Statement of Profit and Loss as computed under Section 198 & 309(5) of the Companies Act, 1956	(5,942.52)	3,443.28	411.32
Net Profit/(Loss) after Tax as per Statement of Profit and Loss	(7,951.49)	1,557.96	83.25
Amount of dividend	Nil	440.18	220.09
Rate of dividend declared (%)	Nil	40	20

- (5) **Export performance and net foreign exchange earnings:**

(Rs. in lakhs)

	2012-13	2011-12	2010-11
Foreign exchange earnings including deemed export	39,314.37	43,932.11	46,171.92
Foreign exchange expenditure outgoings equivalent Rs.	598.56	527.57	456.49

- (6) **Foreign investments or collaborations, if any:**

Telnet Ltd., UK hold 3.34% and Litton Systems Inc., U.S.A. hold 1.98% of the equity capital of the Company.

II. INFORMATION ABOUT THE APPOINTEES:

A) Background Details

1(a) Educational Qualification :

Technical	a) Bachelor of Engineering (Hons.) Mechanical; b) Post Graduate Diploma in Electrical & Metallurgy from SNTI (formerly JTI) Jamshedpur;
Management	General Management training from CEDEP, INSEAD, France. Attended a programme on Globalisation at the Sloan School of Management, USA. International Business Course at IMD, Lussanne, Switzerland.

1(b) Experience :

Company	Nature of job
TRF Ltd.	Managing Director and overall in-charge of the Company with effect from April 01, 2007
Tata Sponge Iron Ltd.	Joint Managing Director from July 11, 2006 to March 31, 2007
Tata International Ltd.	In 1998, Sr. Executive Vice President and became the Managing Director and overall in-charge from April 15, 1999 to July 10, 2006
Tata Steel Ltd. (formerly The Tata Iron & Steel Co. Ltd.)	In 1973, joined as graduate trainee and worked in various operations and production departments. Was appointed as Works Manager at Tata Bearings and finally headed this profit centre. Appointed Principal Executive Officer in 1995 and responsible for TQM, Value Engineering & re-engineering.

2. Past remuneration (including contribution to PF, Superannuation fund, gratuity fund & Commission) for last 3 years:

2012-13	2011-12	2010-11
Rs. 109.05 Lakhs	Rs. 156.95 Lakhs	Rs. 87.33 Lakhs

3. Recognition and awards:

- Present Chairman of CII (ER) for FY 2013-14
- A Member of the Eastern Regional Council of CII (ER) 2009-10;
- A Member of the CII (ER)'s Mining & Construction Equipment Division for 2009-10;
- A Member of CII (ER)'s Metallurgical Equipment Division for 2009-10;
- Member of CII National Council on Export since 1999-2000 and was co- Chairman of CII National Committee on Export;
- Member of Western Region Council of CII and was Chairman of its International Trade Committee;
- Member of Managing Committee of Bombay Chamber of Commerce & Industry during 2000-01 & 2001-02 and was Chairman of the South Africa-India Business Committee.

4. Job profile and his suitability:

(a) Job Profile

Chief Executive Officer and overall in-charge of the TRF Ltd.

TRF is engaged in -

- Design, engineering, procurement, supply, civil and structural works, electrical and instrumentation systems, fabrication, erection and testing of bulk material handling equipment and systems;

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- (ii) Design, supply, installation and commissioning of Port & Yard equipment and services;
- (iii) Project/Construction Management on EPC basis for setting up material handling plants;

His responsibilities include-

- (i) Sustainable operations of the Company through efficient and optimum utilisation of Company's resource viz., man, material and money.
- (ii) Entering into strategic tie-ups and alliances for advancement of the business of the Company.
- (iii) Development of new businesses.
- (iv) Employee satisfaction.
- (v) Customer satisfaction.
- (vi) Enhancing shareholder value.

(b) Suitability

Mr. Deoras has served the Tata Group for over 40 years with distinction.

Mr. Deoras has to his credit turn-around of the Bearings Division of Tata Steel, a loss-making unit acquired by Tata Steel from Metal Box India Ltd into a profit centre.

Mr. Deoras was Managing Director of Tata International Limited from April 15, 1999 to July 10, 2006, a billion dollar Trading House. From July 11, 2006 to March 31, 2007 he was Joint Managing Director of Tata Sponge Iron Limited, a fast growing Company in Sponge Iron Sector.

Mr. Deoras has been appointed as the Managing Director of TRF Limited with effect from April 01, 2007. Under his leadership the scale of operations of TRF has grown significantly and the company has diversified itself into auto application business, marking its business presence in several countries.

Till date, Mr. Deoras has over 14 years of experience as Managing Director of various Tata companies, and 4 years as Head of Bearing Division of Tata Steel, a separate profit centre.

Mr. Deoras's vast experience in operations of different companies, and in view of the high esteem in which he is held in the corporate sector for his technical and commercial knowledge and business acumen, the Board considers Mr. Sudhir L. Deoras as the most suitable professional for shouldering the responsibilities of Managing Director of the Company.

5. Remuneration proposed:

Salary	In the grade of Rs. 50,000/- to Rs. 5,00,000/- with the basic salary of Rs. 3,80,000/- per month w.e.f April 1, 2013
Perquisites & Allowances	Not exceeding 140% of the annual salary of Mr. Sudhir L. Deoras
Commission OR Performance Linked Remuneration	To be between half and twice the annual salary of Mr. Sudhir L. Deoras, as may be determined by the Board of Directors and/or a Committee of the Board within the stipulated limits under the Act. Not exceeding twice the annual salary as may be determined by the Board of Directors and/or a Committee of the Board, subject to the provisions of the Companies Act, 1956.
Minimum Remuneration only in case of absence or inadequacy of profits during any financial year	To be paid by way of salary, performance linked remuneration, perquisites & allowances, subject to the limits specified in Part II in Section II to Schedule XIII of the Companies Act, 1956

6. Comparative Remuneration Profile with respect to industry, size of the Company, profile of the position and person :

The remuneration proposed is commensurate with respect to the industry, size of the Company & profile of the person.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial person, if any:

Apart from receiving remuneration as Managing Director Mr Sudhir L. Deoras has no other pecuniary relationship directly/indirectly with the Company. Mr. Sudhir L. Deoras is not having any interest in the capital of the Company, directly or indirectly or through any statutory structure. He is also not having any direct or indirect interest or related to the directors or promoters of the Company.

III. OTHER INFORMATION:

(1) Inadequate profits:

The Company is seeking the permission of the shareholders for making payment to the appointee's remuneration in any of the three years of his appointment/re-appointment, as laid down in Part II in Section II to Schedule XIII of the Companies Act, 1956, only in the event the Company has no profit or inadequate profits in any such financial year.

(2) Steps taken or proposed to be taken for improvement:

- a) Efforts to get more orders for projects and equipment supply
- b) Improvement in productivity and optimum utilisation of resources of the Company.

(3) Expected increase in productivity and profits in measurable terms:

The Company, by adoption of measures as aforesaid, expects higher turnover in future years with associated increase in profits and productivity.

Highlights

Rupees in lakhs

	2012-13 Consolidated	2011-12 Consolidated	2010-11 Consolidated	2009-10 Consolidated	2008-09 Consolidated
Sales & Services (Net)	111,482.43	132,740.63	111,355.70	86,591.86	72,379.98
Other Income	817.73	659.03	1,254.42	1,237.10	269.76
Extraordinary Income	--	--	--	--	--
Employee Costs	11,787.43	10,306.89	8,302.18	6,914.10	5,682.92
Depreciation	1,214.57	1,077.89	849.17	611.60	382.62
Interest & brokerage	5,493.99	4,036.85	1,755.21	1,250.76	766.19
Profit/(Loss) before taxes	(8778.03)	2,718.45	711.86	7,386.77	6,515.90
Provision for taxes (net)	355.11	1,375.99	522.84	2,509.91	2,467.08
Profit/(Loss) after taxes	(9,133.14)	1,342.46	189.02	4,876.86	4,048.82
Dividend (%)	-	40	20	75	120
Work Production	30,713.00	28,037.00	24,910.00	20,009.86	16,025.00
Progress billings	59,952.88	65,612.31	64,014.87	54,046.79	38,089.22
	As on 31.03.2013	As on 31.03.2012	As on 31.03.2011	As on 31.03.2010	As on 31.03.2009
Net fixed assets	11,151.99	11,166.11	8,390.78	6,170.29	3,541.08
Share Capital	1,100.44	1,100.44	1,100.44	1,100.44*	550.22
Reserves and Surplus	6,570.60	15,017.56	13,380.05	13,616.54	11,886.38
Net worth	7,671.04	16,118.00	14,480.49	14,716.98	12,436.60
Borrowings	57,561.64	50,315.02	32,766.87	21,661.95	9,336.01
Net worth per share (Rs.)	69.71	146.47	131.59	133.74	226.03
Debt: Equity ratio	7.50:1	3.12:1	2.26:1	1.47:1	0.75:1
Number of employees	1,400	1,579	1,546	1,336	928

* 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 fiftieth annual report and the audited financial accounts for the year ended March 31, 2013.

The unfavorable economic environment witnessed during the preceding years showed no signs of improvement. The GDP growth rate which had declined to 6.2% in FY 2011-12, dropped to 5% for the year under review. The deceleration has been severe in the manufacturing sector resulting in growth declining to 1.9% for the year under review as compared to 2.7% in the previous year. Factors such as high inflation, rise in input costs, foreign exchange volatility and high interest rates, continue to affect the business negatively. Several major projects being put on hold and lack of new project orders have put severe strain on infrastructure industry. Liquidity crunch slowed down many projects.

Your Company's performance suffered in such trying circumstances. However Q4 witnessed some inflow of orders which should help stabilize Company's performance in 2013-14.

1.0 Results

Figures in Rupees lakhs

	TRF Standalone		TRF Group	
	2012-13	2011-12	2012-13	2011-12
Net Sales / Income from Operations	64,660.64	80,231.05	111,482.43	132,740.63
Operating Profit/(Loss)	(4,790.85)	4,940.20	(4,774.48)	5,942.99
Profit/(Loss) before taxes	(7,808.15)	2,501.05	(8,778.03)	2,718.45
Profit/(Loss) after taxes	(7,951.49)	1,557.96	(9,133.14)	1,342.46
Profit/(Loss) after minority interest and share of profit of associates	(7,951.49)	1,557.96	(9,169.04)	1,319.38
Add: Balance brought forward from the previous year	2,269.02	1,378.45	1,180.23	528.24
Balance	(5,682.47)	2,936.41	(7,988.81)	1,847.62
Which the Directors have apportioned as under :				
(i) Proposed dividend on Equity Shares	-	440.18	-	440.18
(ii) Tax on dividend	-	71.41	-	71.41
(iii) General Reserve	-	155.80	-	155.80
Total	-	667.39	-	667.39
Balance to be carried forward	(5,682.47)	2,269.02	(7,988.81)	1,180.23

2.0 Dividend:

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

3.0 Operations:

3.1 The Works production increased by around 9% during the year. Major highlights of the product business are :

- Development of new equipments - Wagon Shifter & Pusher.
- 3D analysis implemented across engineering departments for improved design and optimisation of the products.
- Significant cost reduction.
- Emphasis on spares business - greater and focused sales and marketing efforts for order booking and timely execution.

3.2 Orders booked for Projects during the financial year 2012-13 have not been significant. Following major projects were in progress:

- a) Coal Handling Plant for 3 x 500 MW Power Plant at Indira Gandhi Super Thermal Power Plant, Aravali;
- b) Iron Ore Crushing & Conveying Plant at NMDC, Bailadilla;
- c) Coal Handling Equipment supply to Tata Projects Limited for MAHAGENCO, Bhusawal;
- d) Coal Handling Plant for 2 x 600 MW Power Plant for DVC, Raghunathpur;
- e) Coal Handling Plant for 2 x 500MW Power Plant at Mauda Super Thermal Power Project;
- f) Coal Handling Plant for 2 x 660MW Power Plant at Barh Super Thermal Power Project Stage-II;
- g) Coal Handling Plant for 2 x 500MW Power Plant at Vindhyachal Super Thermal Power Project Stage-IV;
- h) Coal Handling Plant for JSPL, Angul;
- i) Tata Steel Raw Material Handling System for 3 million Tonnes expansion.

Atleast 3 of these projects are expected to be completed in the FY 2013-14.

Current estimates show increased costs to closure of a few of the above listed projects for which provision has been made in the Accounts for FY 2012-13.

3.3 During the financial year 2012-13 the Port and Yard Equipment Division (P&YE) witnessed a turnaround with improvement in turnover and contribution. Major highlights of P&YE division during the year have been :

- a) Creating improved in-house capacity and capability for manufacturing of P&YE products
- b) Maximizing design output.
- c) Enhancement of spares business.

4.0 Performance of Subsidiary Companies

4.1 York Group:

Market uncertainty due to Euro Crisis and the general overall low sentiment in the global economy resulted in a lower level of activity in York during much of the year under review. GDP growth was significantly lower compared to 2011-12 in some of the major markets such as India, China, South Africa, Saudi Arabia, UAE, etc. which impacted adversely the production volumes of commercial vehicles and trailer in these countries resulting in reduced market demand for 'York' products. . India witnessed one of the worst years with the sale of prime movers declining by about 34% from the previous year sales of 28,495 units to just about 19,000 units during 2012-13. York's sales also dropped by 32% compared to previous year.

York acquired new customers and gained market share achieving increased sales in Australia by 14%, in Thailand by 45% and in China by 53%. York also witnessed a turnaround of the Australian operation with the entity ending the year with profit.

York acquired the manufacturing assets of Shanghai Ultra (SU), Shanghai which was previously a dedicated contract manufacturer of axles for York. With this acquisition, York now has its own axle manufacturing facility in China. This facility would cater to the demands of South East Asia and other countries.

4.2 DLT Group:

The sales of DLT group for the year under review have been stagnant due to slowdown in the world economy. While the number of units sold have stagnated, the cost management efforts have enabled improvement of margins to reasonable levels.

With signs of improvements in container throughput and international trade, DLT expects a positive effect on its sales of port terminal trailers in FY 2013-14. During the last quarter of the financial year under review, the order book has improved slightly.

DLT was able to enter new markets such as Australia, Myanmar and Peru. This was largely due to introduction of freight friendly trailer assembly.

DLT has made efforts to increase the spare part sales by creating a new profit center to cater to the ever increasing demand for spares.

Dutch Lanka Engineering Ltd a 100% subsidiary of DLT in Sri Lanka engaged in trailer manufacturing and maintenance/service in the Sri Lankan market witnessed significant decline in its operations over the previous year due to the Government policy to temporarily ban issuance of port entry permits for heavy vehicles which impacted sales.

4.3 Adithya Automotive Applications:

Adithya Automotive Applications (AAA) operations suffered as Tata Motors tipper business dropped by 38% compared to previous year. However, AAA managed to increase its share of business from Tata Motors from 19% to 25%. AAA sold more than 2,600 tipper bodies during the year.

The expansion project to increase capacity from 15/day to 25/day has successfully been completed during the year. However capacity utilization was low due to the economic downturn.

4.4 Hewitt Robins International Ltd (HRIL):

The year under review proved to be a successful year for HRIL despite the continuing economic downturn in European markets. The decision in 2011 to make capital investment in manufacturing has provided the foundation on which HRIL has been able to capture 75% of market of machines supplied in the UK market. The main advantage being the ability to design, manufacture and deliver a machine faster than the competitors.

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 Exports:

During the year, the Company earned foreign exchange worth Rs. 393.14 crores through exports, including deemed exports of Rs. 393.11 crores, as against previous year's earnings of Rs. 439.32 crores through exports (including deemed exports of Rs. 436.44 crores).

6.0 Audit Report:

The Statutory Auditors Report on Annual Accounts for the financial year 2012-13 does not contain any qualification which warrants comments from the Board of Directors.

7.0 Management Discussions and Analysis:

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

8.0 Fixed Deposits:

As in the previous year, the Company has not accepted/ renewed any fixed deposits during the year. All deposits have matured and have been repaid when claimed by the depositors together with interest accrued upto the date of maturity. All unclaimed deposits along with interest accrued upto the date of maturity have been deposited as and when they became due, with the Investors Education and Protection Fund (IEPF).

9.0 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). During the year, the Company scored 534 points (out of maximum 1000 points) in the TBEM assessment and is committed to further improvements.

10.0 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:

- 10.1 followed the applicable accounting standards and that there are no material departures in the preparation of the annual accounts;
- 10.2 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;
- 10.3 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;
- 10.4 prepared the annual accounts on a going concern basis.

11.0 Affirmative Action & Corporate Sustainability Initiatives

The company's AA & CSR process is guided by the Tata ethos of "Improving the quality of life of the community it serves" and by the Tata Group's and the Company's "Code for Affirmative Action". The Company's corporate sustainability process consists mainly of the following programmes:

- Education and literacy
- Employability training
- Health
- Employment and livelihood opportunities
- Support to activities related to sports, cultural and social services and
- Environment protection and climate change.

In the execution of the corporate sustainability programme, the Company targets those communities that reside in the immediate vicinity of its factory in Jamshedpur and its residential township in TRF Nagar. The Company also carries out several programmes which are addressed to uplift the quality of life of other underprivileged sections of the society and extends its reach much beyond the aforementioned communities.

Following major initiatives have been continuing :

- Akshar – For primary education to socially under privileged children.
- Agrasar – Scholarship programme in Company supported Valley View School.
- Rojgar – Vocational training programme.
- Astitva – Training centre for women.

Under the guidance of the company, the TRF Ladies Association has constituted a self help group named "Akansha", which has been successful in obtaining orders for supply of materials to the Company and is moving gradually towards becoming self sustainable.

12.0 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. The Company has carried out carbon footprint mapping of its operations at Jamshedpur. It has deployed mitigation plans to reduce/restrict carbon footprint. 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.

13.0 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.

14.0 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 89.93 % of Company's Share Capital stood in dematerialized form as on March 31, 2013.

15.0 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.

16.0 Directors:

- 16.1 Mr Sarosh J Ghandy stepped down as a non-executive Director of the Company on 21st December, 2012 on reaching the age of 75 years. The Directors would like to place on record their sincere appreciation of the contributions made by Mr Sarosh J Ghandy during his tenure on the Board since 1993.
- 16.2 In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Mr R. V. Raghavan and Mr Dipankar Chatterji, Directors retire by rotation at the ensuing annual general meeting and being eligible, offer themselves for reappointment.
- 16.3 Mr Sudhir L. Deoras has been reappointed as Managing Director of the Company for a further period of three years with effect from April 1, 2013. Consent of the members for his reappointment is sought for at the ensuing Annual General Meeting.

17.0 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.

18.0 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.

19.0 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 their appointment, if made, would be within the limits of Section 224(1B) of the Companies Act, 1956. Members are requested to appoint Auditors for the financial year 2013-14 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.

20.0 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

Kolkata,
May 14, 2013

Subodh Bhargava
Chairman

Annexure to the Directors' Report 2012-13

(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
<p>a) Energy Conservation measures taken</p> <ul style="list-style-type: none"> - Capacitor Bank installed for Bay-7 Fabrication yard to improve power factor - Energy efficient over head light installed in Bay-7 - Energy efficient light installed in Works Planning office <p>b) Additional Investments and Proposals, if any:</p> <ul style="list-style-type: none"> - To install soft starter for higher K.W. motors - Shop floor illumination through solar light post - To install wind driven turbine ventilator <p>c) Impact of the above measures on consumption of Energy:</p> <ul style="list-style-type: none"> - 1.15% less KWH consumption in FY 12-13 compared to FY 11-12 <p>d) Total Energy Consumption and Energy Consumption per unit of production as prescribed in Form - A:</p> <ul style="list-style-type: none"> - Not given as your Company is not under the list of Specified industries. <p>B. Technology Absorption: Refer "Form B" given in the next column.</p> <p>C. Foreign Exchange Earnings and Outgo: Earnings- Rs. 39,314.37 lakhs Outgo- Rs. 598.56 lakhs Information on foreign exchange outgo is contained in Note 25 (viii) of Additional Information to Financial Statements. Other information related to exports are stated in the Directors' Report and Management Discussion & Analysis Report.</p>	<p>1. Specific areas in which R&D carried out by your Company:</p> <ul style="list-style-type: none"> - Wagon Shifter - Wagon Tippler weight & counter weight location optimization - Wagon Tippler Power optimization - Side Arm charger weight optimization - Hanging Plough Feeder - Plough Feeder of 2500 TPH - Swiveling chute and weigh hopper with hanging type calibration - Bridge Type Scraper Reclaimer - 55 T Ship Unloader with 2000 tph Free digging Capacity with 12 m track guage for NTPC - 45 m Boom Stacker Reclaimer with 8.5 m track guage and Belt feeder. - Extending the use of TEKLA software for Structural Design and Detailing by integrating with Structural Analysis Software – STAAD PRO <p>2. Benefits derived as a result of the above R&D</p> <ul style="list-style-type: none"> - Enhancing product range - Meeting need of customized product. - Addressing new markets. <p>3. Future Plan of Action To Develop and introduce:-</p> <ul style="list-style-type: none"> - Sizer of 2000 TPH - Feeder Breaker of 1500 TPH - Optimization of Pulley - Wagon Tippler Hydraulic Optimization - "C" Type Wagon Tippler - Parameterisation for Head Frame, Tail Frame & Bend frames - Stacker cum Reclaimer of 3300/ 3300 TPH capacity - Reduction in structural steel consumption by using Hollow Sections - Extending the use of TEKLA software in case of Civil Design and Drawings <p>4. Expenditure on R & D including Expenditure incurred on items developed and supplied to customers</p> <p>a) Capital : Rs. 7.75 lakhs b) Recurring/Revenue : Rs. 990.98 lakhs c) Total : Rs. 998.73 lakhs d) Total R&D expenditure : 1.54 % as a percentage of total turnover</p> <p>5. Technology absorption, adaptation and innovation :</p> <ul style="list-style-type: none"> - Development of high capacity Stacker/Reclaimer - Coal & mineral beneficiation - 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 Indian Infrastructure Sector, in which your Company operates, continues to have difficult times. Legal challenges, over cautious bureaucracy, policy inaction, acute fuel scarcity, mounting debt in a high interest rate regime and deteriorating business environment has cast a shadow on infrastructure projects.

Both private and public sectors have become over cautious with capital investments and new project orders are being postponed.

In such grim economic environment, government has announced key initiatives in the budget 2014 which may kick start new investments. Some of the key policy initiatives proposed are:

- (1) Introduce new and innovative instrument to mobilize fund in Infrastructure.
 - Infrastructure Debt Funds to be encouraged.
 - India Infrastructure Finance Company Limited to offer credit.
 - Infrastructure Tax Free Bonds of INR 500 Billion in 2013-14 to be raised.
 - Raise corpus of Rural Infrastructure Development Fund of INR 200 Billion.
- (2) The Cabinet Committee on Investment has been set up which is headed by the Prime Minister to fast track Mega Projects of over Rs. 1000 Crores.
- (3) Two new major ports to be established.
- (4) PPC Policy framework with Coal India Limited announced.

These measure when implemented are expected to ease the pressure on economy especially in the Infrastructure space.

Auto Industry also slowed down worldwide in the year under review impacting performance of auto components business of the Company. There was a 38% drop in commercial vehicle sales largely due to economic slowdown, money market tightening and high interest rates.

With various measures taken in Indian and global markets, and expected improvement in the economy worldwide, your Company is expected to do better in the FY 2013-14.

2. Opportunities & Threats

- As most of the Companies in Infrastructure space have weak order books, any new project order is expected to see severe competition.
- Slow down in project implementation could impact cash flows.
- Opportunities in International market being explored through our subsidiary Hewitt Robins International Limited.
- Robust cost reduction measures undertaken.
- Emphasis on spares business
- New products introduced by auto application business.

3. Financial Performance

On standalone basis, total income of your Company during the year was Rs. 65,586.66 lakhs (Previous year Rs. 80,585.30 lakhs). Loss before Tax for the year was Rs. 7,808.15 lakhs (Previous year profit of Rs. 2,501.05 lakhs). Loss after Tax for the year was Rs. 7,951.49 lakhs (Previous year profit of Rs. 1,557.96 lakhs).

On consolidated basis, total income of your Company during the year was Rs. 112,300.16 lakhs, (Previous year Rs. 133,399.66 lakhs). Loss before Tax for the year was Rs. 8,778.03 lakhs (Previous year profit of Rs. 2,718.45 lakhs). Loss after Tax & minority interest for the year was Rs. 9,169.04 lakhs (Previous year profit of Rs. 1,319.38 lakhs).

Operational performance has been separately dealt in Directors' Report.

4. Segment-wise Performance

The Projects and Services segment has posted a revenue of Rs. 51,391.50 lakhs (Previous Year Rs. 65,375.61 lakhs) and the Products and Services segment has posted a revenue of Rs. 30,022.48 lakhs (Previous Year Rs. 28,193.79 lakhs), including inter segmental revenue of Rs. 16,753.34 lakhs (Previous year Rs. 13,338.35 lakhs).

On a standalone basis, the Projects and Services segment posted a segmental Loss of Rs. 9,434.86 lakhs (Previous Year profit of Rs. 107.34 lakhs). The Products and Services segment has recorded a profit of Rs. 5,321.66 lakhs (Previous Year profit of Rs. 5,440.98 lakhs). The Loss of the Company after deducting Interest and other unallocable expenditure/ income from the segmental results, has been Rs. 7,808.15 lakhs (Previous Year profit of Rs. 2,501.05 lakhs).

5. Outlook

Some movement in project business has been noticed since Q4 of previous year and we expect Infrastructure industry to open up with various measures taken for funding and removing hurdles by the Government.

The Economic Advisory Committee to Prime Minister estimates the growth rate of industrial sector to improve to 4.9% in FY 2013-14 from the present level of 3.1% and within the industrial sector the manufacturing sector is expected to attain a growth rate of 4% in FY 2013-14 from the present level of 1.9% witnessed during the year under review.

Several measures announced and taken by the government to restore the fiscal health of the economy and to improve the investment climate, industrial growth rate and infrastructure development is expected to have positive impact on the overall growth rate of the economy and industry. The overall Indian economy is expected to grow in the range of 6.1% to 6.7% in FY 2013-14. Though the increase in growth rate may not be very substantial, however it will initiate the growth momentum ending the phase of downturn.

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 / Compliance Officer at each Board Meeting. The Company Secretary / Compliance Officer ensures compliance with the SEBI regulations and provisions of the Listing Agreement. The Controller of Accounts/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 external- 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 Development continues to be an area of focus for the Company with emphasis on training & employee growth. Attrition rate has been well within the target. Employee satisfaction and engagement survey was carried out internally. Based on the said survey steps have been taken to further improve upon the following key areas :- a) Career Progression, b) Reward & Recognition, c) Performance Management System and d) Work Life Balance.

The Workers' 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.

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, 2013, 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, 2013.

Place : Kolkata
Date : May 14, 2013

Sudhir L. Deoras
Managing Director

Corporate Governance Report for the year 2012-13

(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 (7) on the Board. The number of non-executive Directors (6) 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 2012-13	Whether attended the AGM held on July 28, 2012	No. of directorship in other Companies as on March 31, 2013 @		No. of committee positions in other Companies held as on March 31, 2013 #	
				As Chairman	As Director	As Chairman	As Member
Mr. Subodh Bhargava, Chairman	Independent Non-Executive Director	5	Yes	1	6	2	3
Mr. Sarosh J. Ghandy (Upto 20.12.2012)	Independent Non-Executive Director	3	Yes	-	-	-	-
Mr. B. D. Bodhanwala	Independent Non-Executive Director	4	Yes	-	-	-	-
Mr. R. P. Singh	Promoter Non-Independent Non-Executive Director	3	Yes	-	1	-	1
Mr. Ranaveer Sinha	Independent Non-Executive Director	4	No	-	1	-	-
Mr. R. V. Raghavan*	Independent Non-Executive Director	5	Yes	-	1	-	-
Mr. Dipankar Chatterji*	Independent Non-Executive Director	5	Yes	-	6	1	2
Mr. Sudhir L. Deoras, Managing Director	Executive Director	5	Yes	-	-	-	-

* Retire by rotation at the 50th Annual General Meeting in accordance with the provisions of the Companies Act, 1956 and are eligible for re-appointment (refer Directors' Report).

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

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

The Board met five times during the financial year 2012-13 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 13, 2012 (ii) May 8, 2012 (iii) July 28, 2012 (iv) November 3, 2012 and (v) February 7, 2013.

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 2012-13.

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.

The composition of the Audit Committee and the details of the meetings of the Committee attended by the Directors during the financial year 2012-13, are given below:

Name of Member	Category	No. of meetings attended
Mr. Dipankar Chatterji, Chairman	Independent Non-Executive Director	5
Mr. R. V. Raghavan, Member	Independent Non-Executive Director	5
Mr. B.D. Bodhanwala, Member	Independent Non-Executive Director	4

The Committee met five times during the financial year 2012-13. The dates on which the said meetings were held are as follows:

(i) May 7, 2012 (ii) July 28, 2012 (iii) November 3, 2012 (iv) December 6, 2012 and (v) February 7, 2013.

Audit Committee meetings were attended by the Controller of 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 July 28, 2012.

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 2011-12 and 2012-13.

The due date of filing of Report for the FY 2011-12 in XBRL mode was 28.02.2013 and the said Report was filed on 15.12.2012.

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 2012-13 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
Mr. Sarosh J. Ghandy, Member (Upto 20/12/2012)	Independent Non-Executive Director	Nil

The Committee met twice during the financial year 2012-13.

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 June 21, 2008, 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. Due to loss incurred during the financial year 2012-13, commission will not be paid to the Non-Executive Directors and Managing Director.

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 2012-13 towards sitting fees for attending the Board/Committee meetings are as follows:

Name of Director	Sitting Fees for 2012-13 Rs.
Mr. Subodh Bhargava	1,20,000
Mr. Sarosh J. Ghandy	45,000
Mr. B. D. Bodhanwala	1,35,000
Mr. R. P. Singh	75,000
Mr. Ranaveer Sinha	90,000
Mr. R.V. Raghavan	1,80,000
Mr. Dipankar Chatterji	1,65,000
Total	8,10,000

Mr. Ranaveer Sinha, (Independent, Non-Executive Director) holds 10 (ten) Equity Shares of the Company jointly with his spouse as on March 31, 2013.

Details of remuneration paid to the Executive Director(s) for the financial year 2012-13 are as follows:

Name	Salary Rs. Lakhs	Perquisites & Allowances* Rs. lakhs	Commission Rs. lakhs	Stock Options
Mr. Sudhir L. Deoras (Managing Director)	42.00	67.05	NIL	NIL

* Includes contribution to the Provident Fund and Superannuation Fund.

Period of Contract: From 01.04.2010 to 31.03.2013.

The Board has at its meeting held on February 7, 2013 re-appointed Mr. Sudhir L. Deoras as Managing Director of the Company for a further period of 3 years w.e.f. April 1, 2013 (subject to being co-terminus with the date of his retirement in accordance with the Tata Steel Group Retirement Policy). The consent of the members is sought for at the ensuing Annual General Meeting.

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 twice during the financial year 2012-13 on July 27, 2012 & March 26, 2013.

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	2
Mr. R. P. Singh, Member	Promoter, Non-Independent Non-Executive Director	2
Mr. Sudhir L. Deoras (Managing Director), Member	Executive Director	2

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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 2012 – 13 : 5
No. not solved to the satisfaction of the investors as on 31.03.2013 : Nil
No. of pending complaints as on 31.03.2013 : Nil

6. Other Committees:

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

(A) Executive Committee:

The terms of reference of the Executive Committee amongst its other functions is to periodically review (1) Business and Strategy (2) Long term financial projections and cash flow (3) Capital & Revenue Budgets and Capital expenditure programmes (4) Senior management succession planning etc. The composition of Executive Committee and details of meetings attended by the members during the financial year 2012-13 are as follows:

Name of Director	Category	No. of meetings attended
Mr. Sarosh J. Ghandy, Chairman (Upto 20/12/2012)	Independent, Non-Executive Director	-
Mr. Subodh Bhargava, Chairman (Effective from 21.12.2012)	Independent, Non-Executive Director	1
Mr. R.P. Singh, Member	Promoter, Non-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 Executive Committee met once during the financial year 2012-13 on February 07, 2013.

(B) Finance Committee:

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 2012-13 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 2012-13 on February 06, 2013.

7. Subsidiary Companies

The Company does not have any material Non-Listed Indian Subsidiary and hence, is 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
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
2010	23.07.2010	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
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.
23.07.2010	Re-appointment of Mr. Sudhir L. Deoras as Managing Director for a period of three years from April 01, 2010 to March 31, 2013.

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 for this year also.

9. Disclosures

- There are no material significant related party transactions which have potential conflict with the interest of the Company at large. The related party transactions are given in the notes on the Balance Sheet and Statement of Profit & Loss on Page Nos. 72-75.
- Register of Contracts is placed at each meeting of the Board of Directors as per the requirements of the Companies Act, 1956.
- 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.
- The Board at its meeting held on December 26, 2005, has adopted the Risk Management framework and the same is being periodically reviewed by the Board & Company Management.
- The Company has complied with all the applicable Accounting Standards.
- Management Discussion and Analysis Report forms a part of the Director's Report.
- The Company has not raised any proceeds from public issue, rights issue, preferential issue, etc. during the year.
- 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:

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- 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 14, 2013, wherein the Audited Accounts of the Company for the financial year 2012-13 were considered.

12. Means of communication

The quarterly and annual results along with the segmental report are generally published in Business Standard and Hindu Business Line (in English) & Prabhat Khabar, Hindustan, Dainik Bhaskar, Uditvani, Chamakta Aiyana and New Ispat Mail (in Hindi) 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, 2013 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, 2013.
- iii) Financial Calendar : April to March
 - Annual General Meeting : August
 - Dividend Payment : After the Annual General Meeting
- iv) Date of book closure : Wednesday, July 17, 2013 to Tuesday, July 23, 2013 (both days inclusive)
- v) Dividend Payment date : No dividend will be paid for F.Y. 2012-13
- 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).

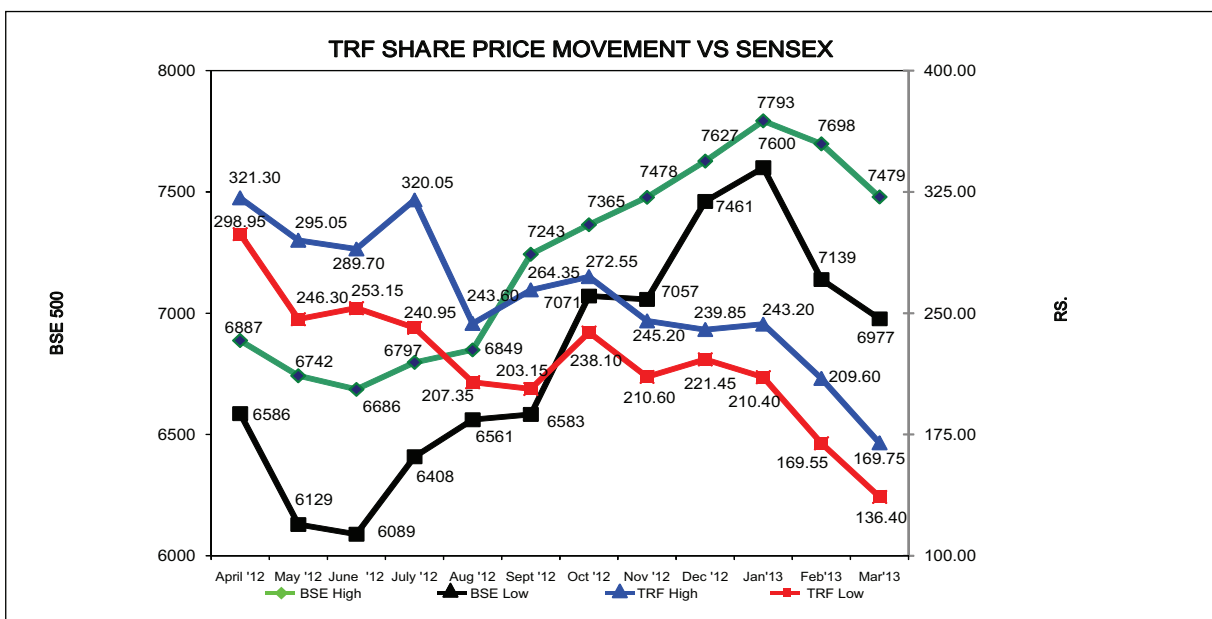
The Company has paid the annual listing fees to all the Stock Exchanges for the financial year 2012-13.

- 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.) (No. of Shares)	Volume	High (Rs.)	Low (Rs.) (No. of Shares)	Volume
Apr-12	321.30	298.95	2,93,590	321.95	298.35	5,12,874
May-12	295.05	246.30	1,57,161	295.20	246.15	2,75,827
Jun-12	289.70	253.15	1,80,271	290.40	252.35	3,19,755
Jul-12	320.05	240.95	2,95,522	320.30	240.95	5,09,962
Aug-12	243.60	207.35	2,16,296	244.25	208.75	3,75,691
Sep-12	264.35	203.15	4,13,287	264.15	202.75	7,83,018
Oct-12	272.55	238.10	3,06,872	272.75	237.65	5,63,958
Nov-12	245.20	210.60	2,05,238	245.50	210.80	3,58,412
Dec-12	239.85	221.45	1,33,635	240.65	223.00	2,55,550
Jan-13	243.20	210.40	1,38,758	242.45	209.80	2,92,942
Feb-13	209.60	169.55	2,13,786	209.20	167.55	2,75,204
Mar-13	169.75	136.40	1,15,856	169.75	135.85	2,12,769

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 2012-13, 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

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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 Registrar & 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 31.03.2013:

Shareholding of nominal value of	Shareholders		Share Amount	
Rs.	Number	% to total	Rs.	% to total
UPTO - 5000	19,886	92.73	2,04,91,970	18.62
5001 - 10000	912	4.25	67,03,620	6.09
10001 - 20000	366	1.71	53,86,120	4.90
20001 - 30000	108	0.50	27,74,440	2.52
30001 - 40000	52	0.24	18,64,670	1.69
40001 - 50000	22	0.10	9,99,690	0.91
50001 - 100000	57	0.27	38,57,720	3.51
100001 and above	43	0.20	6,79,65,890	61.76
TOTAL	21,446	100.00	11,00,44,120	100.00

b) Shareholding pattern as on 31.03.2013:

Sl. No.	Category	No. of Shares	%
I.	Promoters/Associate companies, etc.	37,74,974	34.30
II.	Financial Institutions	6,93,926	6.30
III.	Foreign Financial Institutions	Nil	Nil
IV.	OCBs/Foreign Companies	5,85,000	5.32
V.	Other Bodies Corporate/Trusts	16,49,037	14.99
VI.	Directors & Relatives	10	0.00
VII.	General Public	43,01,465	39.09
	TOTAL	1,10,04,412	100.00

c) Shareholders holding more than 1% of the Equity Share capital as on 31.03.2013:

Sl. No.	Name of shareholders	No. of shares held	%
1.	Tata Steel Limited	3,585,428	32.58
2.	Zash Traders through its PAC:- — Regal Investment and Trading Co. Pvt Ltd. — Vidya Investment and Trading Co. Pvt Ltd. — Napean Investment and Trading Co. Pvt Ltd.	7,24,686	6.59
3.	Sundaram Mutual Fund	5,08,000	4.62
4.	Telent Limited, UK	3,67,500	3.34
5.	Madhu Vadera Jayakumar	2,50,360	2.28
6.	Litton Systems Inc., USA	2,17,500	1.98
7.	Kalimati Investment Co. Limited	1,87,586	1.70
8.	V N Enterprises Limited	1,48,006	1.34
	TOTAL	59,89,066	54.43

xiii) Dematerialization of shares and liquidity:

89.93% of the share capital of the Company had been dematerialized till March 31, 2013. 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.

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, 2013, 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
Registration No. 302009E

R. A. BANGA
Partner
Membership No. 37915

Kolkata, May 14, 2013

Fund Flow Statement

Rs. in lakhs

	2012-13	2011-12	2010-11	2009-10	2008-09
SOURCES					
1 Cash Generated from Operation					
- Profit /(Loss) After Taxes	(7,951)	1,558	83	4,718	4,553
- Add: depreciation	444	381	253	(23)	101
Total	(7,507)	1,939	336	4,695	4,654
2 Increase in Loan Funds					
- Bank Borrowings	5,280	8,651	9,049	10,080	2,865
3 Decrease in working capital	3,498	—	—	—	—
4 Decrease in Miscellaneous Expenditure	—	—	—	10	10
5 Decrease in Investment	38	38	—	—	—
Total	1,309	10,628	9,385	14,785	7,529
UTILIZATION					
1 Capital expenditure (net)	438	834	1,538	735	1,033
2 Increase in Investment	—	—	3,020	5,308	—
3 Dividend including tax on dividend, if applicable	—	512	256	962	772
4 Increase in interest free loan to subsidiary	1,168	5,641	653	—	—
5 Increase in Working Capital	—	3,538	3,976	7,622	5,744
6 Deferred Tax (net) for the year	(297)	103	(58)	158	(20)
7 Adjusted in General Reserve	—	—	—	—	—
Total	1,309	10,628	9,385	14,785	7,529

Summarised Balance Sheet as at March 31, 2013

	Rs. in lakhs	Rs. in lakhs
	As at March 31, 2013	As at March 31, 2012
WHAT THE COMPANY OWNED		
1 Fixed assets(Net)	4,295.31	4,498.51
2 Capital work-in-progress	218.43	61.48
3 Non current assets	20,973.51	20,291.72
4 Current assets	80,787.45	67,056.39
5 Total assets	106,274.70	91,908.10
WHAT THE COMPANY OWED		
6 Non current liabilities	17,564.16	11,781.39
7 Current liabilities	78,727.33	62,454.36
THE COMPANY'S NET WORTH		
8 Shareholders' Equity (i.e the excess of what the Company owned over what the Company owed)	9,983.21	17,672.35
Represented by		
Share Capital : Rs. 1,100.44 lakhs (Previous year : Rs. 1,100.44 lakhs)		
Reserves : Rs. 8,882.77 lakhs (previous year : 16,571.91 lakhs)		
	106,274.70	91,908.10

Summarised Statement of Profit and Loss for the year 2012-13

	Rs. in lakhs	Rs. in lakhs
	Year Ended	Year Ended
1 Income		
Net sales & services	64,660.64	80,231.05
Other income	926.02	354.25
Total income	65,586.66	80,585.30
2 Profit/(Loss) before Interest, Depreciation, Exceptional/ Extraordinary Items and Taxes	(3,367.89)	5,788.18
Less: Depreciation	498.38	427.27
Finance cost	3,941.88	2,859.86
3 Profit/(Loss) before Exceptional/Extraordinary items and taxes	(7,808.15)	2,501.05
Prior period items	-	-
4 Profit/(Loss) before taxes	(7,808.15)	2,501.05
5 Provisional for taxes/(write back)	143.34	943.09
6 Profit/(Loss) after taxes	(7,951.49)	1,557.96
7 Balance in Profit and Loss Account brought forward	2,269.02	1,378.45
8 Amount available for appropriation	(5,682.47)	2,936.41
9 Appropriations		
Proposed dividend	-	440.18
Tax on proposed dividend	-	71.41
General Reserve	-	155.80
Balance carried to Balance Sheet	(5,682.47)	2,269.02
	(5,682.47)	2,936.41

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, 2013, 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 referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") 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, 2013;
- (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.

TRF LIMITED

Fiftieth annual report 2012-13

Emphasis of Matter

We draw attention to Note No.1 (j), 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.

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 referred to in Section 211(3C) of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 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)

R .A. Banga
(Partner)
(Membership No. 37915)

Kolkata, May 14, 2013

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, clauses (vi), (xiii) and (xiv) of CARO are not applicable.
- (ii)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the management in accordance with a regular program of verification of fixed assets over a period of three years and in accordance therewith, Furniture and Fixtures, Office equipment and Laboratory equipment 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)
 - (a) According to the information and explanations given to us, the Company has not taken any loans secured or unsecured from companies, firms or other parties covered by the register maintained under section 301 of the Companies Act, 1956.
 - (b) According to the information and explanations given to us, the Company has granted loans aggregating Rs. 1,014.30 lakhs to its wholly owned subsidiary during the year. As at 31st March, 2013, the outstanding balances of such loans aggregated Rs. 8,456.21 lakhs (including interest accrued Rs. 627.64 lakhs) and the maximum amount involved during the year was Rs. 8,456.21 lakhs. The rate of interest and other terms and conditions of such loans are, in our opinion, *prima facie* not prejudicial to the interest of the Company.
- (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) 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.
- (viii) 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

TRF LIMITED

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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.

- (ix) According to the information and explanations given to us in respect of statutory and other dues:
- 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 in respect of certain locations application for exemptions from operation of Employees State Insurance Act, 1948 has been made, which are pending approval by the authorities.
 - 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 31st March, 2013 for a period of more than six months from the date they became payable.
 - Details of dues of Income-Tax, Sales Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty and Cess which have not been deposited as on 31st March, 2013 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	1,031.76
		Appellate Authority-Commissioner (Appeal)	2007-11	1,529.23
Sales Tax Laws	Sales Tax	Appellate Authority-Tribunal Level	2006-07	8.81
		Appellate Authority-Commissioner (Appeal)	2006-09	1,418.43
		Appellate Authority-Joint Commissioner (Appeal)	2005-07 and 2008-10	18,846.53
		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	2005-07	63.16
		Appellate Authority-Commissioner (Appeal)	2002-08	865.39
		Appellate Authority-Additional Commissioner (Appeal)	2003-05	98.69
Excise Duty Laws	Excise Duty	Appellate Authority-Asst. Commissioner (Appeal)	1992-93	10.17

- The accumulated losses of the Company at the end of the financial year did not exceed fifty percent of its net worth (determined before adjusting for accumulated losses) and the Company has not incurred cash losses during the previous financial year. However, the Company has incurred cash losses during the current financial year.
- 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.
- 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.

- (xiii) 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.
- (xiv) 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.
- (xv) 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.
- (xvi) 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
- (xvii) The Company has not issued any debentures during the year.
- (xviii) The Company has not raised funds by way of public issue during the year.
- (xix) 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
Registration No. 302009E

R. A. BANGA
(Partner)

Membership No. 37915

Kolkata, 14th May, 2013

TRF LIMITED

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Balance Sheet as at March 31, 2013

		Rs. in lakhs	
	Note No.	As at March 31, 2013	As at March 31, 2012
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share capital	2	1,100.44	1,100.44
(b) Reserves and surplus	3	8,882.77	16,571.91
		9,983.21	17,672.35
2 Non-current liabilities			
(a) Long-term borrowings	4	16,164.46	10,725.90
(b) Other Long term liabilities	5	120.03	92.24
(c) Long-term provisions	6	1,279.67	963.25
		17,564.16	11,781.39
3 Current liabilities			
(a) Short-term borrowings	7	18,457.83	19,455.80
(b) Trade payables	8	27,412.33	25,142.35
(c) Other current liabilities	9	28,449.29	13,837.04
(d) Short-term provisions	10	4,407.88	4,019.17
		78,727.33	62,454.36
TOTAL		106,274.70	91,908.10
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	4,028.75	4,134.94
(ii) Intangible assets	11	266.56	363.57
(iii) Capital work-in-progress		218.43	61.48
(b) Non-current investments	12	10,910.95	10,910.95
(c) Deferred tax assets (net)	20 (vi)	-	297.11
(d) Long-term loans and advances	13	9,646.11	8,700.62
(e) Other non current assets	15B	416.45	383.04
		25,487.25	24,851.71
2 Current Assets			
(a) Current investments	12	-	37.50
(b) Inventories and contracts in progress	14	15,995.17	8,377.42
(c) Trade receivables	15A	52,376.11	45,719.34
(d) Cash and bank balances	16	3,557.09	3,955.33
(e) Short- term loans and advances	17	6,663.63	5,971.22
(f) Other current assets	18	2,195.45	2,995.58
		80,787.45	67,056.39
TOTAL		106,274.70	91,908.10

See accompanying notes forming part of the financial statements

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

R. A. BANGA
Partner

TARUN KR. SRIVASTAVA
Company Secretary

Place : Kolkata
Date : May 14, 2013

For and on behalf of the Board
SUBODH BHARGAVA
Chairman

SUDHIR L. DEORAS
Managing Director

Place : Kolkata
Date : May 14, 2013

Statement of Profit and Loss for the year ended March 31, 2013

Rs. in lakhs

	Note No.	Year Ended March 31, 2013	Year Ended March 31, 2012
1 Revenue from operations (gross)	19	66,143.48	81,571.39
Less : Excise duty		1,482.84	1,340.34
Revenue from operations (net)		64,660.64	80,231.05
2 Other income	20	926.02	354.25
3 Total Revenue (1+2)		65,586.66	80,585.30
4 Expenses			
Cost of materials and components consumed	21(a)	40,821.56	41,274.79
Payments to sub-contractors		15,925.24	17,962.48
Change in contracts in progress and inventories of finished goods and work-in-progress	21(b)	(6,270.64)	151.62
Employee benefits expense	22	6,759.65	5,587.88
Finance costs	23	3,941.88	2,859.86
Depreciation and amortisation expense		498.38	427.27
Other expenses	24	11,718.74	9,820.35
Total expenses		73,394.81	78,084.25
5 Profit/ (Loss) before tax (3-4)		(7,808.15)	2,501.05
6 Tax expense:			
(1) Current tax expense for current year		-	1,069.00
(2) Deferred tax	26	143.34	(125.91)
		143.34	943.09
7 Profit/ (Loss) for the year (5-6)		(7,951.49)	1,557.96
8 Earnings/(loss) per share basic and diluted (Face value of Rs. 10 each)	26	(72.26)	14.16
See accompanying notes forming part of the financial statements			

In terms of our report attached.

For and on behalf of the Board

For DELOITTE HASKINS & SELLS
Chartered Accountants

SUBODH BHARGAVA
Chairman

R. A. BANGA
Partner

TARUN KR. SRIVASTAVA
Company Secretary

SUDHIR L. DEORAS
Managing Director

Place : Kolkata
Date : May 14, 2013

Place : Kolkata
Date : May 14, 2013

Cash Flow Statement For the Year Ended March 31, 2013

	Year Ended March 31, 2013	Year Ended March 31, 2012
		Rs. in lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit / (loss) before tax	(7,808.15)	2,501.05
Adjustments for :		
Depreciation	498.38	427.27
(Profit)/Loss on sale of assets/discarded assets	1.91	4.47
Interest income	(629.66)	(6.59)
Dividend income	(67.50)	(165.90)
Interest expense	3,732.55	2,617.70
Unrealised foreign exchange loss	508.97	250.85
	<u>4,044.65</u>	<u>3,127.80</u>
Operating Profit/ (Loss) before working capital changes	(3,763.50)	5,628.85
Adjustments for (increase)/ decrease in operating assets :		
Inventories	(7,617.75)	(530.87)
Trade receivables	(6,656.77)	(678.33)
Short term loans & advances	(635.76)	2,005.77
Long term loans & advances	(29.31)	(58.62)
Other current assets	1,426.00	1,468.42
Other non current assets	(33.41)	(380.05)
	<u>(13,547.00)</u>	<u>1,826.32</u>
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	2,269.98	(1,077.68)
Other current liabilities	13,696.22	(5,184.43)
Other long-term liabilities	27.79	5.47
Short-term provisions	163.61	14.96
Long-term provisions	316.42	49.06
	<u>16,474.02</u>	<u>(6,192.62)</u>
Cash Generated from Operations	(836.48)	1,262.55
Net Income Tax (paid)/refund	1,349.07	898.38
Net Cash from/(used) in Operating Activities	512.59	2,160.93
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets(refer note 2)	(468.41)	(901.10)
Sale of fixed assets	1.30	8.44
Proceeds of redemption of current investment in debentures	37.50	37.50
Loan to subsidiary	(1,014.30)	(5,617.76)
Advance to subsidiary companies	(56.65)	(62.20)
Dividend income	67.50	165.90
Interest received	3.79	8.35
Net Cash used in Investing Activities	(1,429.27)	(6,360.88)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Short term borrowings (Net)	(992.68)	5,044.33
Proceeds from Long term borrowings (Net)	5,708.21	3,366.65
Interest paid	(3,690.14)	(2,611.11)
Dividend paid (including Income tax on Dividend)	(511.57)	(255.61)
Net Cash from Financing Activities	513.82	5,544.26
Net increase/(Decrease) in Cash and Cash equivalents (A+B+C)	(402.86)	1,344.31
Cash and Cash equivalents as at April 1, 2012	3,922.79	2,578.48
Cash and Cash equivalents as at March 31, 2013	3,519.93	3,922.79

- Notes:**
- Figures in brackets indicate outflows.
 - Purchase of fixed assets include payments for items in capital work in progress.
 - Cash and Cash equivalents represent Cash and Bank balances (Refer Note 16)
 - Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised Rs Nil (as at 31.03.2012 Rs 81.32 Lakhs)
 - Previous period figures have been regrouped/restated wherever necessary.

In terms of our report attached.

 For DELOITTE HASKINS & SELLS
Chartered Accountants

 R. A. BANGA
Partner

 Place : Kolkata
Date : May 14, 2013

 TARUN KR. SRIVASTAVA
Company Secretary

For and on behalf of the Board

 SUBODH BHARGAVA
Chairman

 SUDHIR L. DEORAS
Managing Director

 Place : Kolkata
Date : May 14, 2013

Notes forming part of the financial statements

for the year ended 31st March, 2013

TRF Limited, 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. TRF Limited undertakes turnkey projects of material handling for the infrastructure sector such as power and steel plants, cement, ports, fertilisers and mining. The Company is also engaged in production of such material handling equipments at its plant at Jamshedpur.

1. Significant accounting policies

(a) Basis of accounting and preparation of financial statements

The financial statements are prepared as a going concern under historical cost convention on an accrual basis and comply on all material respects with the Generally Accepted Accounting Principles in India and the relevant provisions of the Companies Act, 1956. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Examples of such estimates include provisions for doubtful debts, employee benefits, assessment of income taxes, estimated cost of contracts and useful lives of fixed assets. The estimates and underlying assumptions are reviewed on an ongoing basis. Difference between actual results and estimates are recognized in the periods in which the results are known/materialised.

(c) Inventories

Raw materials, work-in-progress and finished goods are valued at lower of cost and net realizable value on weighted average basis. Stores and spare parts and loose tools are valued at lower of cost and net realizable value.

Cost of work-in-progress and finished goods is determined on full absorption cost basis.

(d) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax 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.

(e) Fixed assets

Tangible fixed assets

Tangible fixed assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Interest on borrowings during the period of construction is added to the cost of fixed assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use net of any trade discounts and rebates. 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.

Notes forming part of the financial statements**for the year ended 31st March, 2013****1. Significant accounting policies (Contd.)****Capital work-in-progress:**

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

(f) Depreciation and amortisation

Depreciation on all tangible fixed assets is provided on straight line basis at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

Technical knowhow is amortized over the estimated period of benefit, not exceeding six years commencing from the date of purchase of the technology.

Software expenditure is amortised over five years commencing from the date when the expenditure is incurred.

(g) Impairment of assets

The carrying value of assets are reviewed at each Balance Sheet date 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.

(h) Revenue recognition (other than contracts)

Revenue from sale of goods / rendering of services is recognized on transfer of significant risks and rewards of ownership to the buyer. Sales excludes sales tax collected from customers.

(i) Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

(j) Accounting of contracts

Contract Revenue is recognised on percentage completion method as required under Accounting Standard 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. 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 contract revenue, 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.

(k) Foreign exchange transactions**(i) Initial recognition**

Transactions in foreign currencies entered into by the Company and its integral foreign operations are 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.

Notes forming part of the financial statements

for the year ended 31st March, 2013

1. Significant accounting policies (Contd.)

(ii) Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

(iii) Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment.

The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement / over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets. The unamortised balance is carried in the Balance Sheet as "Foreign currency monetary item translation difference".

During the previous year, in line with the Notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs, the Company had opted for the option given in Paragraph 46A of the Accounting Standard-11 "The Effects of Changes in Foreign Exchange Rates". Accordingly, the Company has, with effect from April 1, 2011, amortized the foreign exchange loss/(gain) incurred on foreign currency monetary items over the balance period of such long term foreign currency monetary items. The amortized portion of foreign exchange loss (net) incurred on long term foreign currency monetary items for the year ended March 31, 2013 is Rs. 526.61 lakhs (previous year Rs. 313.61 lakhs). The unamortized portion carried forward as on 31st March, 2013 is Rs. 284.75 lakhs (previous year Rs. 226.94 lakhs).

(l) Accounting of forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date.

(m) Investments

Long term investments are carried at cost and provisions are recorded to recognize any decline, other than temporary, in the carrying value of each investment. Current investments are carried at lower of cost and fair value.

(n) Employee Benefits

Employee benefits include provident fund, superannuation fund, gratuity fund and compensated absences.

Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of gratuity fund the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. 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. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced

Notes forming part of the financial statements**for the year ended 31st March, 2013****1. Significant accounting policies (Contd.)**

by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

(o) Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

(p) 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 is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for 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 "Unallocated revenue/expenses/assets/liabilities".

(q) Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

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 considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

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 is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income

Notes forming part of the financial statements

for the year ended 31st March, 2013

1. Significant accounting policies (Contd.)

available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

(r) Research and development

Research and development costs (other than cost of fixed assets acquired) are charged as an expense 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.

(s) Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on best estimates of the expenditure required to settle the present obligation. Contingent Liabilities are not recognised but disclosed in the notes. A disclosure for a contingent liability is made, unless the possibility of an outflow of resources is remote.

Provision for anticipated warranty costs is made on the basis of technical and available cost estimates.

Contingent Assets are neither recognised nor disclosed in the Financials Statements.

(t) Derivative

The Company enters into derivative contracts in the nature of foreign currency swaps, forward contracts with an intention to hedge its existing assets and liabilities, 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.

2. Shareholder's funds - Share capital

	As at March 31, 2013		As at March 31, 2012	
	Number of shares	Rs. in lakhs	Number of shares	Rs. in lakhs
Authorised				
Equity Shares of Rs. 10 each	30,000,000	3,000.00	30,000,000	3,000.00
Issued, subscribed and fully paid up				
Equity shares of Rs.10 each	11,004,412	1,100.44	11,004,412	1,100.44

Issued and subscribed capital exclude 635 equity shares 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 title is temporarily in dispute.

Notes forming part of the financial statements

for the year ended 31st March, 2013

2. Shareholder's funds - Share capital (Contd.)

Notes:

- (i) **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period.**

Equity Shares

Issued, subscribed and fully paid up

At the beginning and end of the year

As at March 31, 2013		As at March 31, 2012	
Number of shares	Rs. in lakhs	Number of share	Rs. in lakhs
11,004,412	1,100.44	11,004,412	1,100.44

- (ii) **Terms/Rights attached to Equity Shares**

The company has only one class of equity shares having a par value of Rs 10 per share. Each equity shareholder is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval by the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2013, the amount of per share dividend recognised as distribution to equity shareholders was Rs. Nil per share (as at 31.03.2012: Rs 4 per share).

In the event of the liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- (iii) **Details of shares held by each shareholder holding more than 5% shares:**

Names of Shareholders	As at March 31, 2013		As at March 31, 2012	
	Number of shares	% of Holding	Number of shares	% of Holding
Tata Steel Limited	3,585,428	32.58	3,585,428	32.58
Zash Traders through its Person Acting in concert	724,686	6.59	724,686	6.59
- Regal Investment and Trading Co. Pvt. Ltd.	307,786	2.80	307,786	2.80
- Vidya Investment and Trading Co. Pvt. Ltd.	233,000	2.12	233,000	2.12
- Nepean Investment and Trading Co. Pvt. Ltd.	183,900	1.67	183,900	1.67

- (iv) **Aggregate number and class of shares allotted as fully paid up by way of bonus shares during the period of five years immediately preceding March 31, 2013.**

Particulars

Equity Shares:

Equity shares allotted as fully paid up by way of bonus shares

As at March 31, 2013	As at March 31, 2012
5,502,206	5,502,206

During the year ended March 31, 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 one share for every share held by capitalisation of General Reserve.

Notes forming part of the financial statements

for the year ended 31st March, 2013

3. Shareholder's funds - Reserves and Surplus

Rs. in lakhs

	As at March 31, 2013	As at March 31, 2012
Amalgamation Reserve		
Opening balance and closing balance	61.81	61.81
General Reserve		
Opening balance	14,420.71	14,264.91
Add: Transferred from Surplus in Statement of Profit and Loss	-	155.80
Closing balance	14,420.71	14,420.71
Foreign exchange fluctuation reserve		
Opening balance	47.31	-
Add: Effect of foreign exchange rate variations during the year	320.16	47.31
Closing balance (net of deferred tax Rs.176.49 lakhs (as at 31.03.2012: Rs. 22.73 lakhs)	367.47	47.31
Foreign Currency Monetary item translation difference		
Opening balance	(226.94)	-
Add: Additions during the year	(584.42)	(540.55)
Less: Transferred to Statement of Profit and Loss during the year	526.61	313.61
Closing balance	(284.75)	(226.94)
Surplus/ (Deficit) in Statement of Profit and Loss		
Opening balance	2,269.02	1,378.45
Add: Profit/ (loss) for the year	(7,951.49)	1,557.96
Less: Proposed dividend	-	440.18
Tax on proposed dividend	-	71.41
Transferred to general reserve	-	155.80
Closing Balance	(5,682.47)	2,269.02
Total	8,882.77	16,571.91

4. Long-term borrowings

Rs. in lakhs

	As at March 31, 2013			As at March 31, 2012		
	Long Term	Current Maturities of Long term debt (Refer note 9)	Total	Long Term	Current Maturities of Long term debt (Refer note 9)	Total
Term loan from banks (Secured)	16,164.46	3,129.90	19,294.35	10,725.90	2,288.18	13,014.08
Total	16,164.46	3,129.90	19,294.35	10,725.90	2,288.18	13,014.08

Notes forming part of the financial statements

for the year ended 31st March, 2013

4. Long-term borrowings (Contd.)

Notes :

- (i) Long term loan from DBS Bank aggregating Rs. 4,146.80 lakhs (as at 31.03.2012: Rs. 5,746.91 lakhs) is secured by pari passu first charge on the fixed assets of the Company.
- (ii) Long term loan from Dena Bank aggregating Rs. 3,275 lakhs (as at 31.03.2012: Rs 3,000 lakhs) is secured by pari passu first charge on all fixed assets and second charge on all current assets of the Company.
- (iii) Long term loan from Axis Bank aggregating Rs. 4,538.96 lakhs (as at 31.03.2012: Rs. 4,267.17 lakhs) is 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.
- (iv) Long term loan from Axis Bank aggregating Rs. 6,000.00 lakhs (as at 31.03.2012: Nil) is secured by pari passu first charge on the 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.
- (v) Long term loan from Indusind Bank aggregating Rs. 1,333.59 lakhs (as at 31.03.2012: Nil) is 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.
- (vi) Terms of repayment of borrowings as at March 31, 2013 are as follows

	Currency	INR Equivalent Rs. in lakhs	Start date of loan repayment	Maturity date	Repayment of Installments	Number of Installment
Secured Borrowings					Rupees	
From banks						
DBS Bank:						
USD 9 million	USD	1,839.01	28-Jan-11	28-Jul-14	1,125,000	8 (half-yearly)
GBP 2.5 million	GBP	1,648.42	13-Jul-12	14-Jul-14	500,000	3 (Annually)
					1,000,000	
					1,000,000	
GBP 1.00 Million	GBP	659.37	13-Jul-12	14-Jul-14	200,000	3 (Annually)
					400,000	
					400,000	
Dena Bank	INR	2,625.00	27-Nov-12	26-Aug-16	18,750,000	16 (Quarterly)
Dena Bank	INR	650.00	27-Nov-14	27-Aug-18	4,062,500	16 (Quarterly)
Axis Bank	INR	6,000.00	31-Mar-16	31-Dec-19	15,000,000	4 (Quartely)
					37,500,000	4 (Quartely)
					45,000,000	4 (Quartely)
					52,500,000	4 (Quartely)
Indusind Bank	USD	1,333.59	13-Jul-16	13-Jul-17	1,223,713	2 (Annually)
Axis Bank USD 8.33 million	USD	4,538.96	23-Mar-15	23-Dec-18	520,000	16 (Quarterly)
					530,000	15 (Quarterly)
						1 (Quarterly)
Total long term loans		19,294.35				

Notes forming part of the financial statements

for the year ended 31st March, 2013

4. Long-term borrowings (Contd.)

Terms of repayment of borrowings as at March 31, 2012 are as follows:

	Currency	INR Equivalent Rs. in lakhs	Start date of loan repayment	Maturity date	Repayment of Installments	Number of Installment
Secured Borrowings					Rupees	
From banks						
DBS Bank:						
USD 9 million	USD	2,881.49	28-Jan-11	28-Jul-14	1,125,000	8 (half-yearly)
GBP 2.5 million	GBP	2,046.73	13-Jul-12	14-Jul-14	500,000	3 (Annually)
					1,000,000	
					1,000,000	
GBP 1.00 Million	GBP	818.69	13-Jul-12	14-Jul-14	200,000	3 (Annually)
					400,000	
					400,000	
Dena Bank	INR	3,000.00	27-Nov-12	25-Sep-16	18,750,000	16 (Quarterly)
Axis Bank USD 8.33 million	USD	4,267.17	23-Mar-15	23-Dec-18	520,000	16 (Quarterly)
					530,000	15 (Quarterly)
						1 (Quarterly)
Total long term loans		13,014.08				

5. Other long-term liabilities

	As at March 31, 2013	As at March 31, 2012
Employee separation compensation	50.11	67.64
Deposits from employees	29.35	24.60
Other long term liabilities	40.57	-
Total	120.03	92.24

6. Long term provisions

	As at March 31, 2013	As at March 31, 2012
Provision for employee benefits		
Post-employment defined benefits		
Pension obligations	677.97	555.78
Others	27.37	23.56
Compensated absences	574.33	383.91
Total	1,279.67	963.25

Notes forming part of the financial statements

for the year ended 31st March, 2013

7. Short-term borrowings

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Term loan from banks (Secured)	8,900.00	5,000.00
Other Loans from banks (Secured)		
Buyers line of credit	1,435.55	834.54
Cash credit account	7,522.28	11,621.26
From other parties (Unsecured)	600.00	2,000.00
Total	18,457.83	19,455.80

Notes :

- (i) Facilities from Canara Bank aggregating Rs. 3,998.41 lakhs (as at 31.03.2012: Rs. 3,780.88 lakhs) are secured by Pari passu first charge on stock & book debts of the company and second charge on Plant and machinery except assets charged exclusively to Small Industries Development Bank of India (SIDBI).
- (ii) Facilities from Bank of Baroda aggregating Rs. 5,079.72 lakhs (as at 31.03.2012: Rs. 5,599.56 lakhs) are secured by pari passu first charge on current assets of the company and on all the Fixed assets of the company except those specifically charged to SIDBI.
- (iii) Facilities from Central Bank of India aggregating Rs. 941.94 lakhs (as at 31.03.2012: Rs. 4,490.55 lakhs) are secured by way of pari passu charge on current assets of the company in favour of the lending banks on reciprocal basis under multiple banking agreements.
- (iv) Facilities from IDBI Bank Rs. 1,500 lakhs (as at 31.03.2012: Rs. Nil) are secured by way of pari passu first charge on all movable assets and second charge on fixed asset except assets charged exclusively to SIDBI.
- (v) Facilities from HDFC Bank aggregating Rs. 2,400 lakhs (as at 31.03.2012: Nil) are secured by way of first pari passu 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 those specifically charge to SIDBI.
- (vi) Facilities from Indian Bank aggregating Rs. 2,502.21 lakhs (as at 31.03.2012: Rs. 2,750.27 lakhs) are secured by way of pari passu first charge on all current assets of the company except stock of raw materials purchased under bill discounting (components) Scheme of SIDBI and pari passu second charge on all fixed assets of the company.
- (vii) Buyers' line of credit are 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 SIDBI, finished goods, work-in-progress, consumables, spares and other movable assets and book debts, outstanding and other receivables.

8. Trade payables

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Trade Payables		
Acceptances	1,199.58	1,190.53
Other than acceptances (refer Note 25 (iv))	26,212.75	23,951.82
Total	27,412.33	25,142.35

Notes forming part of the financial statements

for the year ended 31st March, 2013

9. Other current liabilities

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Current maturities of long-term debt (Refer Note 4)	3,129.90	2,288.18
Interest accrued but not due on borrowings	63.61	77.75
Interest accrued and due on borrowings	109.26	52.72
Unpaid dividends	37.54	32.90
Advances received from customers	11,515.68	5,255.70
Dues to customers for contracts in progress	12,396.62	5,344.89
Payables on purchase of fixed assets	75.03	47.76
Employee benefits	361.65	54.36
Statutory obligations	301.03	280.30
Others	458.97	402.48
Total	28,449.29	13,837.04

10. Short term provisions

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Provision for employee benefits		
Post-employment defined benefits		
Pension obligations	40.70	37.66
Compensated balances	58.89	49.02
Provision for tax		
(net of advance tax Rs. 5,455.54 lakhs (as at 31.03.2012 Rs. 5,783.78 lakhs))	4,010.59	3,273.90
Provision for foreseeable losses	166.40	-
Proposed dividend	-	440.18
Tax on proposed dividend	-	71.41
Provision for warranty (refer note 26 (ix))	131.30	147.00
Total	4,407.88	4,019.17

Notes forming part of the financial statements

for the year ended 31st March, 2013

11. Fixed assets

Rs. in lakhs

	Gross block				Depreciation				Net block	
	As at April 1, 2012 (at cost)	Additions**	Deductions	As at March 31, 2013 (at cost)	As at April 1, 2012	For the year	Deductions	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012
A Tangible assets*										
Buildings and Roads	2,561.19 (1,235.96)	27.57 (1,325.23)	- -	2,588.76 (2,561.19)	409.31 (362.71)	102.48 (46.60)	- -	511.79 (409.31)	2,076.97	2,151.88
Plant and Machinery	3,729.60 (3,400.85)	137.96 (353.95)	- (25.20)	3,867.56 (3,729.60)	2,032.67 (1,839.70)	215.75 (210.85)	- (17.88)	2,248.42 (2,032.67)	1,619.14	1,696.93
Furniture and Fixtures	241.86 (234.09)	12.85 (9.96)	35.41 (2.19)	219.30 (241.86)	141.64 (129.72)	11.81 (14.09)	34.94 (2.17)	118.51 (141.64)	100.79	100.22
Office equipment	126.10 (102.01)	25.99 (24.27)	14.33 (0.18)	137.76 (126.10)	68.42 (58.69)	13.07 (9.91)	13.05 (0.18)	68.44 (68.42)	69.32	57.68
Motor vehicles	227.33 (231.72)	65.34 (26.56)	6.50 (30.95)	286.17 (227.33)	134.09 (132.51)	31.35 (27.14)	5.07 (25.56)	160.37 (134.09)	125.80	93.24
Electrical installation	102.83 (103.62)	1.50 -	- (0.79)	104.33 (102.83)	69.82 (66.58)	4.71 (3.87)	- (0.63)	74.53 (69.82)	29.80	33.01
Laboratory equipment	10.34 (10.34)	5.43 -	1.35 -	14.42 (10.34)	8.36 (8.14)	0.45 (0.22)	1.32 -	7.49 (8.36)	6.93	1.98
Total	6,999.25	276.64	57.59	7,218.30	2,864.31	379.62	54.38	3,189.55	4,028.75	4,134.94
Previous year	5,318.59	1,739.97	59.31	6,999.25	2,598.05	312.68	46.42	2,864.31	4,134.94	
	Gross block				Amortisation				Net block	
	As at April 1, 2012 (at cost)	Additions	Deductions	As at March 31, 2013 (at cost)	As at April 1, 2012	For the year	Deductions	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012
B Intangible assets*										
Technical know-how	356.53 (356.53)	- -	- -	356.53 (356.53)	356.53 (352.24)	- (4.29)	- -	356.53 (356.53)	-	-
Computer software	609.76 (526.76)	21.75 (83.00)	- -	631.51 (609.76)	246.19 (135.89)	118.76 (110.30)	- -	364.95 (246.19)	266.56	363.57
Total	966.29	21.75	-	988.04	602.72	118.76	-	721.48	266.56	363.57
Previous year	883.29	83.00	-	966.29	488.13	114.59	-	602.72	363.57	

* Fixed assets includes the capital cost of tangible assets of Rs. 137.16 lakhs (previous year Rs 129.41 lakhs) and intangible assets of Rs 9.50 lakhs (previous year : Rs 9.50 lakhs) with total accumulated depreciation of Rs 129.02 lakhs (previous year Rs. 128.15 lakhs) and Rs. 9.50 lakhs (previous years Rs 9.50 lakhs) respectively, acquired for in-house research recognised facility.

** Additions during the previous year include borrowing costs capitalised Rs 81.32 lakhs.

Notes forming part of the financial statements

for the year ended 31st March, 2013

12. Investments (at cost less provision other than temporary, if any)

	As at March 31, 2013						Rs. in lakhs			
	Face value	Currency	Number	Non-current	Current portion of Long term investments	Total	Number	Non-current	Current portion of Long term investments	Total
Trade investments										
I. Investment in Equity shares										
(a) Subsidiaries										
Unquoted										
(i) Adithya Automotive Applications Private Limited, India	10	INR	3,570,000	357.00	-	357.00	3,570,000	357.00	-	357.00
(ii) TRF Singapore Pte. Ltd. Singapore	1	SGD	32,449,000	10,297.65	-	10,297.65	32,449,000	10,297.65	-	10,297.65
(iii) TRF Holdings Limited	1	SGD	1	*	-	*	1	*	-	*
(b) Other Investments										
(i) Quoted										
HDFC Bank Ltd.	2	INR	2,500	0.05	-	0.05	2,500	0.05	-	0.05
(ii) Unquoted										
(1) Tata Projects Limited	100	INR	67,500	233.75	-	233.75	67,500	233.75	-	233.75
(2) Rujuvalika Investments Limited	10	INR	137,500	22.50	-	22.50	137,500	22.50	-	22.50
(3) Twin Star Jupiter Co-operative Housing Society Limited	50	INR	5	*	-	-	5	*	-	-
(4) Nicco Jubilee Park Ltd.	10	INR	30,000	3.00	-	3.00	30,000	3.00	-	3.00
Less: Provision for diminution in value				(3.00)		(3.00)		(3.00)		(3.00)
II. Investment in Debentures										
Unquoted										
8% Debentures in Tata Projects Limited				-	-	-	3750	-	37.50	37.50
One third of the value redeemed during the year as per terms of issue.										
Total				10,910.95		10,910.95		10,910.95	37.50	10,948.45

* represent values below Rs 1 Lakh.

Notes :-

	Rs. in lakhs	Rs. in lakhs
(i) (a) Aggregate amount of quoted investments	0.05	0.05
Market value of quoted investments.	15.63	13.00
(b) Aggregate amount of unquoted investments	10,913.90	10,951.40
	10,913.95	10,951.45
(c) Aggregate provision for diminution in the value of investments - Non current investments	(3.00)	(3.00)
	10,910.95	10,948.45

(ii) Reconciliation for disclosure as per Accounting Standard 13

	As at March 31, 2013	As at March 31, 2012
Long term Investments		
Non Current Investments (Refer Note no. 12 above)	10,910.95	10,910.95
Current portion of long-term investments - (Refer Note no. 12 above)	-	37.50
	10,910.95	10,948.45
Current Investments		
Other current investments	-	-
Total	10,910.95	10,948.45

Notes forming part of the financial statements

for the year ended 31st March, 2013

13. Long term loans and advances - unsecured, considered good

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Capital advances	140.39	100.05
Security deposits	128.48	105.12
Balances with government authorities		
Excise authorities	2.50	2.50
Sales Tax authorities	7.58	24.57
Loans and advances to related parties (Refer Note 26(v))	7,828.57	6,340.35
Other loans and advances		
Prepayments	320.53	238.36
Others	8.79	68.02
Advance income tax (net of provisions Rs. 2,869.83 lakhs) (previous year Rs. 3,291.80 lakhs)	1,209.27	1,821.65
Total	9,646.11	8,700.62

14. Inventories and contracts in progress

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Contracts in progress	8,647.50	2,966.48
Inventories		
At lower of cost and net realisable value		
Raw materials (Including goods in transit Rs 114.73 lakhs) (as at 31.03.2012 Rs. 63.30 lakhs)	3,569.64	2,246.91
Work-in-progress (Refer Note (i) below)	2,934.52	2,432.16
Finished products (Refer Note (ii) below)	583.65	506.18
Excise duty on finished products not assessed to duty	100.51	90.72
	684.16	596.90
Stores and spare parts	105.24	87.47
Loose tools	54.11	47.50
Total	15,995.17	8,377.42

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

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Idler and Idler Spares	181.29	335.05
Pulley	419.86	485.60
Screen and Screen Spares	194.16	82.07
Crusher and Crusher Spares	545.31	40.54
Tipler and Tippler Spares	242.61	112.63
Others	1,351.29	1,376.27
Total	2,934.52	2,432.16

Notes forming part of the financial statements

for the year ended 31st March, 2013

14. Inventories and contracts in progress (Contd.)

Note (ii) Details of Finished products

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Idler Rollers	154.33	56.91
Components for Idler Rollers	11.75	42.56
Vibrating Screens, etc.	120.11	284.48
Components for Vibrating Screens, etc.	14.73	12.56
Sectional and Mine Conveyors	78.10	58.74
Coal Cutters (Shearer-cum-loaders)	-	-
Others	204.63	50.93
Excise Duty	100.51	90.72
Total	684.16	596.90

15A. Trade receivables

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Trade receivable		
(Unsecured, considered good unless otherwise stated)		
Outstanding for a period exceeding six months, from the date they were due for payment	10,053.03	7,497.37
Others *	45,357.24	39,717.12
Gross current trade receivables	55,410.27	47,214.49
Less: Provision for doubtful trade receivables	3,034.16	1,495.15
Total	52,376.11	45,719.34

* Others include Rs. 7,790.46 lakhs (as at 31.03.2012 Rs. 13,011.03 lakhs) being amount receivable within the operating cycle but due after one year)

15B. Other non-current assets

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Trade receivables (unsecured, considered good)	416.45	383.04
Total	416.45	383.04

16. Cash and bank balances

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Cash on hand	19.56	19.82
Cheques on hand	150.82	1,095.21
Balances with banks		
In current accounts	3,349.55	2,807.76
In unpaid dividend accounts *	37.16	32.54
Total	3,557.09	3,955.33
Of the above, the balances that meet the definition of cash and cash equivalents as per AS 3 Cash Flow Statement	3,519.93	3,922.79

* Balances with bank - unpaid dividend accounts include Rs. 37.16 lakhs (as at 31.03.2012 Rs. 32.54 lakhs) which have restriction on repatriation.

Notes forming part of the financial statements

for the year ended 31st March, 2013

17. Short term loans and advances (Unsecured, considered good, unless otherwise stated)

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Security deposits		
Considered good	152.85	93.39
Considered doubtful	67.12	54.20
Total	219.97	147.59
Less : Provision for doubtful deposits	67.12	54.20
	152.85	93.39
Balances with government authorities		
Service tax	643.86	190.21
Excise authorities	143.07	23.73
Sales Tax		
Considered good	1,653.55	1,149.73
Considered doubtful	30.15	-
	1,683.70	1,149.73
Less: Provision for doubtful deposits	30.15	-
Value added tax	322.28	168.46
Loans and advances to related parties (Refer Note 26(v))	179.26	122.61
Other loans and advances		
Prepayments	372.56	232.99
Advances to suppliers	2,294.40	2,926.18
Others	901.80	1,063.92
Total	6,663.63	5,971.22

18. Other current assets

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Unbilled Revenue* (Refer note below)	1,567.81	2,993.81
Interest accrued on investments	-	1.77
Interest accrued on loans and advances	627.64	-
Total	2,195.45	2,995.58

* Unbilled revenue includes Rs. 73 lakhs (as at 31.03.2012 Rs. 274 lakhs) being amount receivable within the operating cycle but due after one year.

19. Revenue from operations

	Rs. in lakhs	
	Year Ended March 31, 2013	Year Ended March 31, 2012
Revenue from project business	48,040.74	63,141.78
Sale of products	15,307.56	16,039.00
Sale of services	2,795.18	2,390.61
Revenue from operations (gross)	66,143.48	81,571.39
Less : Excise duty on revenue from operations	1,482.84	1,340.34
Revenue from operations (net)	64,660.64	80,231.05

Notes forming part of the financial statements

for the year ended 31st March, 2013

19. Revenue from Operations (Contd.)

Revenue from Operations (Net)

Rs. in lakhs

	Year Ended March 31, 2013	Year Ended March 31, 2012
1. Idler Rollers	3,016.95	2,934.32
Components for Idler Rollers	1,345.50	1,066.04
2. Vibrating Screens, etc.	1,902.85	2,787.34
Components for Vibrating Screens, etc.	1,657.07	1,649.09
3. Sectional and Mine Conveyors	3,668.81	3,628.50
4. Tipplers	1,044.15	2,124.40
5. Crushers	1,456.27	570.19
Components for Crushers	974.93	1,264.21
6. Others	1,711.32	2,097.02
7. Material handling equipment including stackers, reclaimers, stacker-cum-reclaimers, shiploaders/unloaders, general conveyors, ore/coal handling plants and wagon loaders	45,087.61	59,719.33
8. Services	2,795.18	2,390.61
Total	64,660.64	80,231.05

20. Other income

Rs. in lakhs

	Year Ended March 31, 2013	Year Ended March 31, 2012
Dividend Income from long term investment	67.50	165.90
Interest Income		
From long term investment	1.24	4.25
From banks on deposits	-	2.34
Others	628.42	-
Liabilities/ provisions no longer required written back	99.37	52.78
Miscellaneous income	129.49	128.98
Total	926.02	354.25

Notes forming part of the financial statements

for the year ended 31st March, 2013

21(a). Cost of Material Consumed

	Year Ended March 31, 2013	Rs. in lakhs Year Ended March 31, 2012
Opening stock	2,246.91	1,572.32
Add: Purchases	42,144.29	41,949.38
Less: Closing stock	3,569.64	2,246.91
Total	40,821.56	41,274.79

	Year Ended March 31, 2013	Rs. in lakhs Year Ended March 31, 2012
Materials consumed comprises		
1. Steel	13,407.29	13,492.30
2. Forgings	966.97	1,158.41
3. Tubes	1,106.19	1,037.67
4. Bearings	812.71	1,240.34
5. Beltings	110.75	1,180.47
6. Others *	24,417.65	23,165.60
Total	40,821.56	41,274.79

Note: The consumption figures shown above are after adjustment of excesses and shortages found on physical count, write-off of unserviceable items etc. Further, the consumption of steel as indicated above is after adjusting credit in respect of scrap Rs. 823.08 lakhs (previous year Rs. 832.41 lakhs).

* Others represent electrical and bought out items.

21(b). Changes in contracts in progress and inventories of finished products and work in progress

	Year Ended March 31, 2013	Rs. in lakhs Year Ended March 31, 2012
Inventories and contracts in progress at the beginning of the year		
Finished products	596.90	1,034.57
Work- in-progress	2,432.16	2,043.34
Contracts in progress	2,966.48	3,069.25
	<u>5,995.54</u>	<u>6,147.16</u>
Inventories and contracts in progress at the end of the year		
Finished products	684.16	596.90
Work- in-progress	2,934.52	2,432.16
Contracts in progress	8,647.50	2,966.48
	<u>12,266.18</u>	<u>5,995.54</u>
Net (increase)/decrease	(6,270.64)	151.62

22. Employee benefits expense

	Year Ended March 31, 2013	Rs. in lakhs Year Ended March 31, 2012
Salaries, wages and other benefits	5,231.03	4,512.38
Company's contribution to provident fund and other funds	998.72	604.85
Workmen and staff welfare expenses	529.90	470.65
Total	6,759.65	5,587.88

Notes forming part of the financial statements

for the year ended 31st March, 2013

23. Finance Cost

	Year Ended March 31, 2013	Year Ended March 31, 2012
Interest expense	3,639.85	2,542.07
Bank charges	209.33	242.16
Net loss on foreign currency transactions and translation	92.70	156.95
	<u>3,941.88</u>	<u>2,941.18</u>
Less Interest capitalised	-	81.32
Total	3,941.88	2,859.86

24. Other expenses

	Year Ended March 31, 2013	Year Ended March 31, 2012
Consumption of stores, spare parts and loose tools	609.82	592.06
Repairs to buildings	514.39	333.53
Repairs to plant and machinery	258.97	206.43
Repairs to office equipment	35.78	72.53
Power and fuel	241.05	273.14
Travelling, conveyance and car running expenses	866.64	945.08
Rent	469.98	488.21
Rates, taxes and licences	384.82	140.70
Sales Tax (net)	564.57	656.37
Excise duty (net)	487.53	161.30
Service tax (net)	940.92	1,233.03
Insurance	202.74	159.06
Freight and handling charges	1,642.43	1,080.18
Service charges (collection and order procurement)	544.91	95.78
Professional fees	916.31	1,286.58
Telephone expenses	115.44	112.50
Directors' fees	8.10	13.95
Bad Debts written off	11.68	280.20
Provision for doubtful debts and advances (net)	1,582.08	732.33
Advances written off	-	13.58
Liquidated damages	27.14	13.40
Provision of warranty expenses	-	9.00
Loss on foreign exchange fluctuation (net)	484.10	450.18
Loss on sale of fixed assets	1.91	4.47
Auditors' Remuneration and out of pocket expenses		
(i) To statutory auditors	51.00	51.00
For taxation matters	4.00	4.50
For other services	7.91	12.01
For reimbursement of expenses	7.62	3.71
(ii) To cost auditors for cost audit	2.50	-
Provision for Foreseeable Loss	166.40	-
Other expenses	568.00	395.54
Total	11,718.74	9,820.35

Notes forming part of the financial statements

for the year ended 31st March, 2013

25. Additional Information to the Financial Statements

	Rs. in lakhs	
	March 31, 2013	March 31, 2012
(i) CONTINGENT LIABILITIES		
(a) Sales tax matters in dispute relating to issues of applicability and classification	20,269.89	57.90
(b) Excise duty and service tax matters in dispute relating to applicability and classification	1,004.91	159.22
In respect of the above excise and service tax matters in dispute, the Company has deposited Rs.2.50 lakhs (Previous year Rs.2.50 lakhs) against various orders, pending disposal of the appeals. This amount is included under note 13 - Long term loans and advances.		
(c) Income Tax matters in dispute	1,021.57	1,314.91
(d) Corporate guarantee given on behalf of step down subsidiary company (USD 9.5 million)	-	3,864.60
(Outstanding amount against the guarantee)	-	(966.16)
(e) Corporate guarantee given on behalf of step down subsidiary company (USD 4.5 million)	2,452.02	-
(Outstanding amount against the guarantee)	(2,452.02)	-
(f) Corporate guarantee given on behalf of step down subsidiary company (USD 18.00 million)	9,808.07	9,220.77
(Outstanding amount against the guarantee)	(9,663.76)	(9,220.77)
(g) Corporate guarantee on behalf of step down subsidiary company (USD 1.50 million previous year USD 0.765 million)	817.34	391.88
(Outstanding amount against the guarantee)	(817.34)	(391.88)
(h) Claims against the Company not acknowledged as debt (Comprises primarily of liquidated damages and other claims made by customers)	4,587.84	535.83
(i) Others	33.42	33.42
Future cash outflows in respect of above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities		
(ii) The Company has agreed to provide contingent support to its wholly owned direct subsidiary (WOS), TRF Singapore Pte Ltd and TRF Holdings Pte Ltd. to meet its liabilities of SGD 17,839,324.47 (previous year: SGD 2,418,370) and USD 5,98,418 (previous year: USD 51,400) respectively, only in the event of the WOS being unable to generate the required liquidity internally or externally.		
(iii) Estimated amount of contracts remaining to be executed on capital account and not provided for	386.37	477.77
(iv) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31, 2013 is as under.		
(a) The Principal amount remaining unpaid to supplier as at the end of accounting year	421.31	274.29
(b) The Interest due thereon remaining unpaid to suppliers as at the end of the accounting year	13.82	10.64

Notes forming part of the financial statements

for the year ended 31st March, 2013

25. Additional Information to the Financial Statements (Contd.)

	Rs. in lakhs	
	March 31, 2013	March 31, 2012
(c) The amount of interest paid in terms of sec 16, along with the amount of payment made to supplier beyond the appointment day during the year 2012-13	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid beyond the appointment date during the year but without adding interest specified under this act)	11.58	12.95
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	48.83	34.02

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

(v) Disclosure as per Clause 32 of the Listing Agreement with the Stock Exchanges

	Balance as at		Max. outstanding during the year	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Loans and advances in the nature of loans given to subsidiary where repayment schedule is not specified				
	Rs. in lakhs		Rs. in lakhs	
i) TRF Singapore Pte Limited, Singapore (Subsidiary)	7,828.57	6,340.35	7,828.57	6,340.35

(vi) Details on derivatives instruments and unhedged foreign currency exposures

(A) 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 1 annexed to Balance Sheet and Statement of Profit and Loss.

i) 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.

Outstanding Short Term Forward Exchange Contracts entered into by the Company on account of payables:

	March 31, 2013	March 31, 2012
No. of contracts	11	-
U S Dollar equivalent (in lakhs)	31.22	-
INR equivalent (in lakhs)	1,701.21	-
(Forward exchange contracts outstanding include Forward Purchase of United States Dollars against Indian National Rupee for contracted imports).		

ii) The Company also uses derivative contracts other than forward contracts to hedge the interest rate and currency risk. The company does not use forward contracts for speculative purposes.

Outstanding interest rate swaps to hedge against fluctuations in interest rate changes:

	March 31, 2013	March 31, 2012
No. of contracts	4	4
U S Dollar equivalent (in lakhs)	77.60	112.19
INR equivalent (in lakhs)	4,228.15	5,746.91

iii) Outstanding currency swaps to hedge against fluctuations in exchange rate changes:

	March 31, 2013	March 31, 2012
No. of contracts	3	3
U S Dollar equivalent (in lakhs)	43.85	55.94
INR equivalent (in lakhs)	2,389.14	2,865.42

Notes forming part of the financial statements

for the year ended 31st March, 2013

25. Additional Information to the Financial Statements (Contd.)

- (B) The year end foreign currency exposures that has not been hedged by a derivative instrument or otherwise are given below:

	March 31, 2013		March 31, 2012	
	USD Equivalent (USD in lakhs)	INR Equivalent (Rs. in lakhs)	USD Equivalent (USD in lakhs)	INR Equivalent (Rs. in lakhs)
1 Amount receivable in foreign currency on account of the following				
a Exports of goods & services	3.51	190.99	17.93	918.29
b Advance towards import of goods & services	2.36	128.54	1.17	60.08
c Advance to subsidiary TRF Singapore	143.68	7,829.11	123.78	6,340.35
d Interest receivable on advance to subsidiary TRF Singapore	11.44	627.64	-	-
2 Amount payable in foreign currency on account of the following:				
a Import of goods and services	16.00	871.85	11.09	568.28
b Advance against export of goods & services	-	-	-	-
c Loan payable	191.58	10,439.21	210.65	10,790.85
d Interest payable	1.00	54.50	1.17	60.05
e Payable to subsidiary - Hewitt Robins International Holding Limited	0.89	48.77	0.12	6.30

(vii) **Value of imports calculated on CIF basis**

	Rs. in lakhs	
	March 31, 2013	March 31, 2012
(a) Raw materials and components	1,915.84	1,561.39
(b) Stores and spare parts	37.38	43.20
(c) Capital goods	-	2.46
viii) Expenditure in foreign currency (on payment basis)		
(a) Travel	36.11	70.07
(b) Engineering support service	32.77	146.02
(c) Professional fees	5.77	3.81
(d) Interest	521.49	291.74
(e) Others	2.42	15.93

(ix) **Details of consumption of imported and indigenous items**

	March 31, 2013		March 31, 2012	
Consumption of imported and indigenous raw materials and components, stores and spare parts and the percentage of each to total consumption				
Imported	4.02%	1,639.43	2.72%	1,122.66
Indigenously obtained	95.98%	39,182.13	97.28%	40,152.13
	100.00%	40,821.56	100.00%	41,274.79
Stores and spare parts				
Imported	5.18%	31.58	0.34%	2.03
Indigenously obtained	94.82%	578.24	99.66%	590.03
	100.00%	609.82	100.00%	592.06

Notes forming part of the financial statements

for the year ended 31st March, 2013

25. Additional Information to the Financial Statements (Contd.)

	Rs. in lakhs	
	March 31, 2013	March 31, 2012
(x) Earnings in foreign exchange:		
F.O.B. value of exports of goods and services (including deemed export of Rs. 39,310.59 lakhs, previous year : Rs. 43,644.27 lakhs)	39,314.37	43,932.11
-Deemed export under Chapter 8 of Foreign Trade policy		
	For FY 2011-2012	For FY 2010-2011
(xi) Amount remitted in foreign currency during the year on account of dividends	8.70	4.35
Number of non-resident shareholders	1	1
Number of shares	217,500	217,500

The Company has not remitted any amount in foreign currencies except as disclosed above on account of dividend during the year and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividend have been made by/on behalf of non-resident shareholders. The particulars of dividend payable to non-resident shareholders (including non-resident Indian shareholders) which were declared during the year are as under:

(i) Number of non-resident shareholders	261	254
(ii) Number of ordinary shares held by them	747,308	734,016
(iii) Gross amount of dividend	Rs. 29.75 lakhs	Rs. 14.68 lakhs

Gross amount of dividend declared in current and previous year pertain to FY 2011-12 and FY 2010-11 respectively.

- (xii) Excise duty (including education cess and higher education cess) included under operation, administration and selling expenses comprises:

	Rs. in lakhs	
	March 31, 2013	March 31, 2012
Excise duty on finished goods not assessed to duty	9.79	(53.45)
Excise duty on construction contracts inclusive of duties	449.65	206.35
Excise duty on warranty dispatches, differential duty etc.	28.09	8.40
	487.53	161.30

- (xiii) During the year ended March 31, 2012, the Company had set up a 100% subsidiary, TRF Holdings Pte Ltd at Singapore. Further during the previous year, the Company through its wholly owned subsidiaries TRF Singapore Pte Ltd. and TRF Holdings Pte. Ltd. have acquired the balance 49% shareholding in its subsidiary Dutch Lanka Trailers Manufacturers Limited (DLT), a Sri Lanka based company and 49% in York Transport Equipment (Asia) Pte Ltd, a Singapore based company for purchase consideration of USD 8.33 million and USD 18 million respectively making them a wholly owned subsidiaries.
- (xiv) No provision has been made for liquidated damages and other claims by certain customers, wherever these have been refuted by the Company and it expects to settle them without any loss. Pending settlement of these claims, the relative sundry debtors balances have been shown in the accounts as fully recoverable and have been disclosed as contingent liabilities under Claims against the Company not acknowledged as debt. (Refer note 25 (i)(h))
- (xv) Scrap and off- cuts at the contract sites are being accounted on cash basis, since segregation and quantification of such items at the financial year end is not practicable in view of the contracts being in progress.
- (xvi) 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 in the Financial Statement as the effect cannot be accurately determined.

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards

- (i) Details of contract revenue and costs as per Accounting Standard 7 notified by the Companies (Accounting Standards) Rules, 2006 in respect of contracts entered on or after 01.04.2003 and in progress as at year end, is given below :

	Rs. in lakhs	
	Year ended March 31, 2013	Year ended March 31, 2012
Contract revenue recognised as revenue during the year	48,023.71	63,133.67
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) upto the reporting date	297,485.56	266,541.91
	As at March 31, 2013	As at March 31, 2012
Advances received for contracts in progress (unadjusted)	10,112.12	4,144.75
Retention money for contracts in progress	26,689.67	22,557.75
Gross amount due from customers for contract work (asset)	1,567.81	2,993.81
Gross amount due to customers for contract work (liability)	12,393.59	5,331.26
For the Method used to determine the contract revenue recognised and the stage of completion of contract in progress, refer Note 1 (j)		

- (ii) (a) The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The company has recognized in the Statement of Profit and Loss an amount of Rs. 555.57 lakhs (previous year Rs.505.48 lakhs) under defined contribution plans.

	Rs. in lakhs	
Benefit (Contribution to)	March 31, 2013	March 31, 2012
Provident Fund	249.65	232.75
Superannuation Fund	246.03	216.39
Employees Pension Scheme	59.89	56.34
	555.57	505.48

- (b) The company operates post retirement defined benefit plans as follows :

- a. Unfunded
 1. Leave encashment
 2. Pension to Directors
- b. Funded
 1. Gratuity

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards (Contd.)

(c) Details of unfunded defined benefit obligations are as follows :

Rs. in lakhs

Description	Leave encashment					Pension to Directors				
	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
1. Reconciliation of opening and closing balances of obligation										
a. Opening obligation	432.93	400.68	358.99	296.56	232.68	593.44	567.65	494.70	450.10	334.92
b. Current service cost	63.85	56.58	49.20	42.99	35.12	37.00	36.42	33.80	74.36	62.28
c. Interest cost	33.32	27.57	25.10	19.22	15.78	49.14	43.92	36.71	32.29	26.07
d. Contribution by plan participants	-	-	-	-	1.39	-	-	-	-	-
e. Acquisitions #	0.46	22.74	0.29	-	-	-	-	-	-	-
f. Actuarial (gain)/loss	193.57	37.46	33.08	73.83	82.54	83.15	(17.28)	38.20	(34.77)	44.91
g. Benefits paid	(90.91)	(112.10)	(65.98)	(73.61)	(70.95)	(44.06)	(37.27)	(35.76)	(27.28)	(18.08)
h. Closing obligation	633.22	432.93	400.68	358.99	296.56	718.67	593.44	567.65	494.70	450.10
2. Expense recognized in the period										
a. Current service cost	63.85	56.58	49.20	42.99	35.12	37.00	36.42	33.80	74.36	62.28
b. Interest cost	33.32	27.57	25.10	19.22	15.78	49.14	43.92	36.71	32.30	26.07
c. Actuarial (gain)/loss	193.57	37.46	33.08	73.83	82.54	83.15	(17.28)	38.20	(34.77)	44.91
d. Expense recognized in the period	290.74	121.61	107.38	136.04	133.44	169.29	63.06	108.71	71.89	133.26
The expense is disclosed in the line item - Salaries, wages and other benefits (Note 22)										
3. Assumptions										
a. Discount rate (per annum)	8.10%	8.60%	8.00%	7.70%	7.40%	8.10%	8.60%	8.00%	7.70%	7.40%
4. Experience Adjustment										
a. Defined benefit obligation	(633.22)	(432.93)	(400.68)	(358.99)	(296.56)	(718.67)	(593.44)	(567.66)	(494.70)	(450.10)
b. Plan assets	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
c. Surplus/ (deficit)	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
d. Experience adjustments on plan liabilities	(77.05)	(57.03)	(42.05)	(54.87)	(70.40)	(51.66)	(16.56)	(54.97)	19.78	(19.10)
e. Experience adjustment on plan assets	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

Amount transferred from Associate Companies is Rs. 0.46 lakhs (Previous year Rs. 22.74 lakhs)

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards (Contd.)

- (d) Details of post retirement gratuity plan except in respect of Port and Yard Equipment division (P&YE) which is managed independently by Life Insurance Corporation of India (LIC) are as follows:-*

		Rs. in lakhs				
Description		March 31, 2013	March 31, 2012			
1. Reconciliation of opening and closing balances of obligation						
a. Opening obligation		1,087.65				1,088.55
b. Current service cost		64.99				67.84
c. Interest cost		84.43				79.98
d. Contribution by plan participants #		0.47				31.22
e. Actuarial (gain)/loss		357.11				(2.35)
f. Benefits paid		(211.82)				(177.59)
g. Closing obligation		1,382.83				1,087.65
The defined benefit obligation as at 31.03.13 is funded by the company						
2. Change in plan assets (reconciliation of opening & closing balances)						
a. Opening fair value of plan assets		1,043.29				964.32
b. Expected return on plan assets		80.40				78.06
c. Contribution by plan participants #		0.47				31.22
d. Actuarial gain/(loss)		(9.53)				(21.96)
e. Contributions		135.00				169.24
f. Benefits paid		(211.82)				(177.59)
g. Closing fair value of plan assets		1,037.81				1,043.29
3. Reconciliation of fair value of assets and obligations						
a. Closing fair value of plan assets		1,037.81				1,043.29
b. Closing obligation		1,382.83				1,087.65
c. Amount recognized in the balance sheet * (Note 9)		(345.02)				(44.36)
4. Expense recognized in the period						
a. Current service cost		64.99				67.84
b. Interest cost		84.43				79.98
c. Expected return on plan assets		(80.40)				(78.06)
d. Actuarial (gain)/loss		366.63				19.61
e. Expense recognized in the period *		435.65				89.37
The expense is disclosed in the line item – Company's contribution to provident fund and other funds (Note 22)						
5. Investment details		%age invested	%age invested			
a. GOI securities		19.05				19.32
b. Public sector unit (PSU) bonds		29.09				31.46
c. State / Central guaranteed securities		5.31				7.38
d. Special deposit schemes		41.05				39.38
e. Private sector bonds		1.68				1.53
f. Others (including bank balances)		3.82				0.93
Total		100.00				100.00
6. Assumptions						
a. Discount rate (per annum)		8.10%				8.60%
b. Estimated rate of return on plan assets (per annum)		8.00%				8.00%
c. Rate of escalation in salary (per annum)		8.00%				6.00%
The estimate of future salary increases take into account inflation, seniority, promotion and other relevant factors.						
7. Experience adjustments						
			Rs. in lakhs			
		March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
a. Defined benefit obligation		(1,382.83)	(1,087.66)	(1,088.55)	(992.61)	(964.28)
b. Plan assets		1,037.81	1,043.29	964.32	973.71	938.10
c. Surplus/ (deficit)		(345.02)	(44.37)	(122.68)	(18.90)	(26.18)
d. Experience adjustments on plan liabilities		(162.05)	(34.84)	(107.36)	(66.32)	(62.83)
e. Experience adjustment on plan assets		(9.53)	(21.96)	(12.12)	10.35	47.31
f. Expected adjustments (best estimate) to funded plans in subsequent financial year		345.02	44.37	122.68	18.90	26.18

Amount transferred from Associate Companies is Rs. 0.47 lakhs (Previous year Rs. 31.22 lakhs)

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards (Contd.)

* The gratuity liability in respect of P&YE division of the Company is determined based on premium charged by LIC under the group gratuity scheme. Expenses recognized in the period as disclosed above excludes Rs. 7.50 lakhs (previous year Rs. 10.00 lakhs) contributions made by P&YE division to LIC. Amount recognized in the balance sheet as disclosed above excludes Rs.16.63 lakhs (as at 31.03.2012 Rs. 10.00 lakhs) pertaining to P & YE division. Disclosures pursuant to AS - 15 have not been made in respect of the Post retirement Gratuity plan of P&YE division as details have not been furnished by LIC to the company and the amounts are not expected to be material.

The basis used to determine overall expected rate of return on assets and the effect on major categories of plan assets is as follows:

The major portions of the assets are invested in PSU bonds and special deposits. The long term estimate of the expected rate of return on the fund assets have been arrived at based on the asset allocation and prevailing yield rates on these asset classes.

Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching government bonds.

(iii) Details of Borrowing costs capitalised

Details of Borrowing costs capitalised	March 2013	Rs. in lakhs March 2012
Borrowing costs capitalised during the year		
As Fixed assets	-	81.32
As Work in progress	-	-
	<u>-</u>	<u>81.32</u>

(iv) Segment information

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 is available and for which operating profit/loss amounts are evaluated regularly by the executive management in deciding how to allocate resources and in assessing performance.

Business segments are primarily Products & services and Projects and services. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

	2012-13				2011-12			
Business segment	Products & Services	Projects & Services	Elimination	Total	Products & Services	Projects & Services	Elimination	Total
Segment revenue								
External sales	13,269.14	51,391.50		64,660.64	14,855.44	65,375.61		80,231.05
Inter-segment revenue	16,753.34		(16,753.34)	-	13,338.35		(13,338.35)	-
Total revenue	30,022.48	51,391.50	(16,753.34)	64,660.64	28,193.79	65,375.61	(13,338.35)	80,231.05
Segment result	5,321.66	(9,434.86)	-	(4,113.20)	5,440.98	107.34		5,548.32
Unallocated corporate expenditure (net)				677.65				608.12
Operating profit/ (loss)				(4,790.85)				4,940.20
Interest expenses				3,732.54				2,617.69
Other income				715.24				178.54
Profit/ (loss) before tax				(7,808.15)				2,501.05
Income tax				-			1,069.00	
MAT credit entitlement				-				-
Deferred tax				143.34				(125.91)
Fringe benefit tax				-				-
Net profit / (loss)				(7,951.49)				1,557.96

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards (Contd.)

(iv) Segment information (Contd.)

Rs. in lakhs

Other information	2012-13				2011-12			
	Products & services	Projects & services	Unallocated	Total	Products & services	Projects & services	Unallocated	Total
Segment position								
Segment assets	22,479.82	57,681.25		80,161.07	18,574.56	48,880.74		67,455.30
Unallocated corporate assets			26,113.63	26,113.63			24,452.80	24,452.80
Total assets	22,479.82	57,681.25	26,113.63	106,274.70	18,574.56	48,880.74	24,452.80	91,908.10
Segment liabilities	11,853.58	41,233.99		53,087.57	8,165.54	28,555.45		36,720.99
Unallocated corporate liabilities			43,203.91	43,203.91			37,514.76	37,514.76
Total liabilities	11,853.58	41,233.99	43,203.91	96,291.49	8,165.54	28,555.45	37,514.76	74,235.75
Capital expenditure	130.01	94.19	74.19	298.39	1,620.17	81.62	121.18	1,822.97
Depreciation	322.09	169.27	7.02	498.38	296.00	118.94	12.33	427.27

Notes:

Pursuant to the 'Accounting Standard on Segment Reporting' (AS-17) notified by the Companies (Accounting Standard) Rules 2006, the Company has considered 'business segment' as primary segment for disclosure. The Company has identified business segments mentioned below as primary segments:

(i) Products & Services

(ii) Projects & Services

There is no significant difference in the business conditions prevailing in various states of India, where the Company has its operation. Revenue from sales to external customers outside India is less than 10% of the Company's total revenue. Hence, geographical segment disclosures are not considered necessary.

(v) Related party disclosures:

Information relating to related party transactions as per Accounting Standard 18 notified by the Companies (Accounting Standards) Rules, 2006.

A) List of related parties and relationship

Party	Relationship
a) TRF Singapore Pte Ltd.	Subsidiary Subsidiary - The Ownership of which is directly or indirectly through subsidiary (ies)
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 Manufacturers LLC	
Hewitt Robins International Holding Ltd.	Subsidiary
Hewitt Robins International Ltd.	
b) TRF Holdings Pte Ltd. (w.e.f 02.02.2012)	
c) Adithya Automotive Application Pvt Ltd	Subsidiary
d) Tata Steel Limited	Entity holding 32.58%
e) Key Management Personnel	Managing Director
Mr. Sudhir L. Deoras	

Note: Related parties have been identified by the management

*Liquidated during the year

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards (Contd.)

B) **Details of related party transaction during the year ended March 31, 2013 and balances outstanding as at March 31, 2013 :** Rs. in lakhs

(Previous period's figures in italics)

	Subsidiary	Associate	Key Management Personnel
1) Transactions during the year ended 31st March, 2013.			
(i) Sales and Services (net of discount)			
Tata Steel Ltd		17,400.72	
		9,790.82	
York Transport Equipment (India) Pvt Ltd	-		
	38.79		
(ii) Purchase of raw materials			
Tata Steel Ltd		1,794.31	
		3,810.20	
Hewitt Robins International Ltd	7.56		
	14.54		
York Transport Equipment (Asia) Pte Ltd.	-		
	29.36		
(iii) Payment towards various services obtained			
Tata Steel Ltd		288.88	
		235.56	
Hewitt Robins International Ltd	39.45		
	-		
(iv) Loan Given			
TRF Singapore Pte Ltd	1,014.30		
	5,597.97		
(v) Leasehold Rent			
Tata Steel Ltd.		38.42	
		38.41	
(vi) Expenses/Overhead charged (including rent)			
York Transport Equipment (India) Pvt Ltd	45.76		
	35.75		
Dutch Lanka Trailer Manufacturers Ltd	21.97		
	11.04		
Hewitt Robins International Ltd	33.39		
	21.44		
Adithya Automotive Application Pvt Ltd	6.87		
	3.33		
TRF Holdings Pte Ltd	1.51		
	-		
TRF Singapore Pte Ltd	0.59		
	-		
(vii) Dividend Paid			
Tata Steel Limited		143.41	
		71.71	
(viii) Guarantees given			
TRF Holdings Pte. Ltd. (as at 31.03.2012: USD 18,000,000)	-		
	9,220.77		
Dutch Lanka Trailer Manufacturers Ltd of USD 735,000			
(as at 31.03.2012: USD 765,000)	400.50		
	391.88		

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards (Contd.)

B) Details of related party transaction during the year ended March 31, 2013 and balances outstanding as at March 31, 2013 (Contd.) **Rs. in lakhs**

(Previous period's figures in italics)

	Subsidiary	Associate	Key Management Personnel
York Transport Equipment (Asia) Pte Limited of USD 18,000,000 (as at 31.03.2012 : NIL)	9,808.07		
York Transport Equipment (Asia) Pte Limited of USD 4,500,000 (as at 31.03.2012: NIL)	2,452.02		
(ix) Interest income on advance given to subsidiary TRF Singapore Pte Ltd.	627.64		
(x) Remuneration Paid Mr. Sudhir L. Deoras			109.05 156.95
B) Balance as on March 31, 2013.			
(i) Guarantees Outstanding			
Given by the Company on behalf of TRF Singapore Pte. Ltd. (SGD 9,500,000)	- 3,864.60		
Given by the Company on behalf of York Transport Equipment (Asia) Pte Ltd (USD 18,000,000)	9,808.07 -		
Given by the Company on behalf of TRF Holdings Pte. Ltd. (USD 18,000,000)	- 9,220.77		
Given by the Company on behalf of Dutch Lanka Trailer Manufacturers Ltd (USD 1,500,000)	817.34 391.88		
Given by the Company on behalf of York Transport Equipment (Asia) Pte Ltd (USD 4,500,000)	2,452.02 -		
(ii) Receivables			
Tata Steel Ltd. (Net of advance)		2,083.53 3,122.20	
York Transport Equipment (India) Pvt Ltd	45.38 35.71		
Dutch Lanka Trailer Manufacturers Ltd	63.08 41.50		
TRF Singapore Pte Ltd	8,456.80 6,340.35		
Hewitt Robins International Ltd	58.50 18.87		
Adithya Automotive Application Pvt Ltd	10.20 3.33		
TRF Holdings Pte Ltd	1.51 -		
Claims against the Company not acknowledged as debt			
Tata Steel Limited		520.27 501.83	

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards (Contd.)

B) Details of related party transaction during the year ended March 31, 2013 and balances outstanding as at March 31, 2013 (Contd.)

Rs. in lakhs

(Previous period's figures in italics)

	Subsidiary	Associate	Key Management Personnel
(iii) Payables			
Tata Steel Ltd		473.01	
		468.68	
Hewitt Robins International Ltd	47.02		
	-		

Rs. in lakhs

(vi) Earnings per share

- (a) Profit after tax as per the Statement of Profit and Loss
- (b) Weighted average number of equity shares of Rs.10/- each outstanding during the year
- (c) Earning / (loss) per share- Basic and diluted (Rs.)

Year Ended March 31, 2013	Year Ended March 31, 2012
(7,951.49)	1,557.96
11,004,412	11,004,412
(72.26)	14.16

(vii) Deferred tax (liability) / asset

Rs. in lakhs

Deferred tax asset comprises of tax effect of timing differences on account of :*

- Provision for doubtful debts and advances
- Provision for contingencies
- Provision for warranty
- Compensated absence
- Provision for foreseeable loss

March 31, 2013	March 31, 2012
193.44	455.10
16.95	11.36
42.60	47.69
205.45	140.47
53.98	-
512.42	654.62

Deferred tax liability comprises of tax effect of timing differences on account of:

- Related to fixed assets
- Exchange fluctuation on the long term loan given to TRF Singapore Pte Ltd (a 100% subsidiary company)

335.92	334.78
176.50	22.73
512.42	357.51

Net deferred tax asset/ (liability)

-	297.11
---	--------

*The Company has recognised deferred tax asset on the basis of prudence, only to the extent of deferred tax liability as at 31st March, 2013.

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards (Contd.)**(viii) Details of research and development expenditure recognised as an expense**

Employee cost

Depreciation

Others

Total**March 31, 2013**

249.91

0.87

6.22

257.00**Rs. in lakhs****March 31, 2012**

198.16

1.59

0.82

200.57

- (ix) Provision of Rs.131.30 lakhs (At at 31.03.2012 : Rs 147.00 lakhs) has been made for anticipated warranty costs relating to certain products manufactured and sold by the Company upto March 31, 2013 on the basis of technical and available cost estimates.

Rs. in lakhs**March 31, 2013**

147.00

88.09

88.09

15.70

131.30**March 31, 2012**

138.00

67.18

58.18

-

147.00

- (x) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board

SUBODH BHARGAVA
Chairman

TARUN KR. SRIVASTAVA
Company Secretary

SUDHIR L. DEORAS
Managing Director

Place : Kolkata
Date : May 14, 2013

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, 2013, 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 judgement, 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, 2013;
- (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.1 (j), 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.

Other Matter

We did not audit the financial statements / financial information of subsidiaries and jointly controlled entities, whose financial statements / financial information reflect total assets (net) of Rs. 63,192.41 lakhs as at 31st March, 2013, total revenues of Rs. 40,427.63 lakhs and net cash out flows amounting to Rs. 386.41 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)

R. A. Banga
(Partner)

(Membership No. 37915)

Kolkata, May 14, 2013

TRF LIMITED

Fiftieth annual report 2012-13

TRF Limited and its Subsidiaries

Consolidated Balance Sheet as at March 31, 2013

		Rs. in lakhs	
	Note No.	As at March 31, 2013	As at March 31, 2012
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share capital	2	1,100.44	1,100.44
(b) Reserves and surplus	3	6,570.60	15,017.56
		7,671.04	16,118.00
2 Minority Interest		495.03	454.64
3 Non-current liabilities			
(a) Long-term borrowings	4	26,991.26	22,416.82
(b) Deferred tax liability	26(viii)	83.41	2.33
(c) Other Long term liabilities	5	120.03	92.24
(d) Long-term provisions	6	1,299.72	974.66
		28,494.42	23,486.05
4 Current liabilities			
(a) Short-term borrowings	7	26,002.22	23,148.97
(b) Trade payables	8	38,549.49	36,771.47
(c) Other current liabilities	9	31,388.56	18,114.84
(d) Short-term provisions	10	5,048.49	4,557.86
		100,988.76	82,593.14
Total		137,649.25	122,651.83
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	10,683.30	10,574.66
(ii) Intangible assets	11	468.65	591.44
(iii) Capital work-in-progress		332.60	71.22
(b) Goodwill on consolidation		15,635.97	14,627.07
(c) Non-current investments	12	256.53	256.50
(d) Deferred tax assets	26(viii)	148.73	334.50
(e) Long-term loans and advances	13	2,344.55	2,932.14
(f) Other non current assets	15 B	512.05	563.46
		30,382.38	29,950.99
2 Current Assets			
(a) Current investments	12	-	37.50
(b) Inventories and contracts in progress	14	28,202.65	19,921.65
(c) Trade receivables	15 A	62,145.11	54,811.61
(d) Cash and bank balance	16	6,395.84	7,090.97
(e) Short- term loans and advances	17	8,951.22	7,814.84
(f) Other current assets	18	1,572.05	3,024.27
		107,266.87	92,700.84
Total		137,649.25	122,651.83

See accompanying note forming part of the financial statements

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

R. A. BANGA
Partner

TARUN KR. SRIVASTAVA
Company Secretary

Place : Kolkata
Date : May 14, 2013

For and on behalf of the Board
SUBODH BHARGAVA
Chairman

SUDHIR L. DEORAS
Managing Director

Place : Kolkata
Date : May 14, 2013

Consolidated Statement of Profit and Loss for the year ended March 31, 2013

Rs. in lakhs

	Note No.	Year Ended March 31, 2013	Year Ended March 31, 2012
1 Revenue from operations (gross)	19	114,951.13	135,806.88
Less : Excise Duty		3,468.70	3,066.25
Revenue from operations (net)		111,482.43	132,740.63
2 Other income	20	817.73	659.03
3 Total revenue (1+2)		112,300.16	133,399.66
4 Expenses			
Cost of materials and components consumed		71,798.39	75,701.37
Purchase of finished, semi finished and other products		2,067.92	3,454.33
Payments to sub-contractors		16,416.66	18,614.53
Change in contracts in progress, inventories of finished goods and work-in-progress	21	(6,888.50)	499.21
Employee benefits expense	22	11,787.43	10,306.89
Finance costs	23	5,493.99	4,036.85
Depreciation and amortisation expense		1,214.57	1,077.89
Other expenses	24	19,187.73	17,026.96
Total expenses before transfer to capital account		121,078.19	130,718.03
Expenditure transferred to capital and other account		-	(36.82)
Total Expenses		121,078.19	130,681.21
5 Profit/ (Loss) before tax (3-4)		(8,778.03)	2,718.45
6 Tax expense / (benefits) :			
(1) Current tax expense for current year		272.69	1,577.51
Less: MAT credit entitlement		(35.54)	(30.51)
(2) Deferred tax	26(viii)	117.96	(171.01)
		355.11	1,375.99
7 Profit/ (Loss) for the year before Minority Interest (5-6)		(9,133.14)	1,342.46
8 Minority Interest		(35.90)	(23.08)
9 Profit/ (Loss) after Minority Interest (7 - 8)		(9,169.04)	1,319.38
10 Earnings/ (Loss) per share basic (Face value of Rs. 10 each)	26(vii)	(83.32)	11.99

See accompanying note forming part of the financial statements

In terms of our report attached.

For and on behalf of the Board

For DELOITTE HASKINS & SELLS
Chartered Accountants

SUBODH BHARGAVA
Chairman

R. A. BANGA
Partner

TARUN KR. SRIVASTAVA
Company Secretary

SUDHIR L. DEORAS
Managing Director

Place : Kolkata
Date : May 14, 2013

Place : Kolkata
Date : May 14, 2013

TRF LIMITED

Fiftieth annual report 2012-13

TRF Limited and its Subsidiaries

Cash Flow Statement For the Year Ended March 31, 2013

	Rs. in lakhs	
	Year Ended March 31, 2013	Year Ended March 31, 2012
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit / (loss) before tax and after exceptional and extraordinary Items	(8,778.03)	2,718.45
Adjustments for :		
Depreciation	1,214.57	1,077.89
(Profit)/loss on sale of assets/discarded assets	3.99	5.16
Interest income	(6.78)	(7.74)
Dividend income	(67.50)	(165.90)
Finance cost	5,493.99	4,036.85
Expenditure transferred to capital account	-	(36.82)
Unrealised foreign exchange (gain)/loss	702.82	744.38
	<u>7,341.09</u>	<u>5,653.82</u>
Operating profit / (loss) before working capital changes	(1,436.94)	8,372.27
Adjustments for (increase) / decrease in operating assets:		
Inventories	(7,428.44)	(181.93)
Trade receivables	(6,674.90)	(1,830.52)
Long term loans and advances	730.44	(151.09)
Short term loans and advances	(1,015.58)	2,009.88
Other non current assets	54.37	(384.42)
Other current assets	<u>1,456.61</u>	<u>1,536.38</u>
	(12,877.50)	998.30
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	1,187.45	1,341.46
Other long term liabilities	27.79	5.47
Other current liabilities	12,936.64	5,164.34
Long term provisions	320.79	53.28
Short term provisions	<u>248.47</u>	<u>(46.60)</u>
	14,721.14	(3,810.73)
Cash generated from operations	406.70	5,559.84
Net income taxes (paid)/refunds	1,021.09	233.25
Foreign exchange gain/(loss) on consolidation	<u>(70.56)</u>	<u>431.17</u>
Net cash from/(used) in operating activities	1,357.23	6,224.26
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of fixed assets (refer Note 2)	(1,241.17)	(2,035.65)
Sale of fixed assets	8.92	13.35
Proceeds of redemption of current investment in debentures	37.50	37.50
Investment in subsidiary	-	(13,417.34)
Dividend income	67.50	165.90
Income from interest received	<u>8.55</u>	<u>9.77</u>
Net cash used in investing activities	(1,118.70)	(15,226.47)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from long term borrowings (net)	2,548.27	11,549.97
Proceeds from short term borrowings (net)	2,469.09	3,619.19
Interest paid	(5,444.07)	(4,028.84)
Dividend paid (including income tax on dividend)	<u>(511.57)</u>	<u>(255.62)</u>
Net cash from financing activities	(938.28)	10,884.70
Net increase in cash and cash equivalents (A+B+C) (See Note 3 below)	(699.75)	1,882.49
Cash and cash equivalents as at 1st April	7,058.43	5,175.94
Cash and cash equivalents as at 31st March	<u>6,358.68</u>	<u>7,058.43</u>

- Notes:** 1. Figures in brackets indicate outflows.
2. Purchase of fixed assets include payments for items in capital work in progress.
3. Cash and cash equivalents represent cash and bank balances (Refer Note 16)
4. Interest paid is exclusive of and purchase of fixed assets is inclusive of interest capitalised Rs. Nil (as at 31.03.2012 Rs. 106.09 Lakhs)
5. Cash and cash equivalents includes gain on foreign exchange revaluation of Rs. 259.97 lakhs (as at 31.03.2012 Rs. 343.35 lakhs)
6. Previous year figures have been regrouped/restated wherever necessary.

In terms of our report attached.

For DELOITTE HASKINS & SELLS
Chartered Accountants

R. A. BANGA
Partner

Place : Kolkata
Date : May 14, 2013

TARUN KR. SRIVASTAVA
Company Secretary

For and on behalf of the Board

SUBODH BHARGAVA
Chairman

SUDHIR L. DEORAS
Managing Director

Place : Kolkata
Date : May 14, 2013

Notes forming part of the financial statements

for the year ended 31st March, 2013

1. Principles of Consolidation :

The Consolidated Financial Statements consist of TRF Limited ("the Company") and its subsidiary Companies. 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 21 - Consolidated Financial Statements notified by the Companies (Accounting Standards) Rules, 2006.
- (b) In case of foreign subsidiaries, 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 recognised under Foreign Currency Translation Reserve.
- (c) The financial statements of the subsidiaries, used in the consolidation are drawn up to the same reporting date as that of the Company i.e. March 31, 2013.
- (d) The excess of the cost to the Company, of its investment in the subsidiary company over the Company's portion of equity is recognised in the financial statement as Goodwill. Goodwill arising on consolidation is not amortised but tested for impairment.
- (e) Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and the equity of the Company's shareholders.

Minority Interest in the net assets of the consolidated subsidiaries consists of:

- i) the amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
 - ii) the minorities 'share of movements' in equity since the date the parent subsidiary relationship came into existence.
- (f) 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.

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	Proportion of ownership Interest		Proportion of voting Power where different		Country of Incorporation
	2012-13	2011-12	2012-13	2011-12	
Subsidiaries					
TRF Singapore Pte Ltd	100%	100%	-	-	Singapore
TRF Holdings Pte Ltd (w.e.f 02.02.2012)	100%	100%	-	-	Singapore
YORK Transport Equipment (Asia) Pte Ltd	100%	100%	-	-	Singapore
YORK Transport Equipment Pty Ltd	100%	100%	-	-	Australia
YORK Sales (Thailand) Co. Ltd	100%	100%	-	-	Thailand
YTE Transport Equipment (SA) (Pty) Limited	100%	100%	-	-	South Africa
YORK Transport Equipment (Malayasia) Sdn Bhd *	-	100%	-	-	Malayasia
Rednet Pte Ltd.	100%	100%	-	-	Singapore
PT YORK Engineering	100%	100%	-	-	Indonesia
YTE Special Products Pte Ltd	100%	100%	-	-	Singapore
Qingdao YTE Special Products Co. Ltd	100%	100%	-	-	China

TRF LIMITED

Fiftieth annual report 2012-13

TRF Limited and its Subsidiaries

Notes forming part of the financial statements

for the year ended 31st March, 2013

Principles of Consolidation (Contd.)

Name of the Company	Proportion of ownership Interest		Proportion of voting Power where different		Country of Incorporation
Subsidiaries	2012-13	2011-12	2012-13	2011-12	
YORK Transport Equipment India Pvt. Ltd	100%	100%	-	-	India
YORK Transport Equipment (Shanghai) Co. Ltd	100%	100%	-	-	China
Adithya Automotive Applications Pvt. Limited	51%	51%	-	-	India
Dutch Lanka Trailer Manufacturers Limited	100%	100%	-	-	Sri Lanka
Dutch Lanka Engineering Pvt Ltd	100%	100%	-	-	Sri Lanka
Dutch Lanka Trailers Manufactures LLC	70%	70%	100%	100%	Oman
Hewitt Robins International Ltd	100%	100%	-	-	United Kingdom
Hewitt Robins International Holding Ltd	100%	100%	-	-	United Kingdom
Joint Venture					
Tata International DLT Private Limited	50%	50%	-	-	India

* Liquidated during the year.

(ii) Significant accounting policies

(a) Basis of accounting and preparation of financial statements

The financial statements are prepared as a going concern under historical cost convention on an accrual basis and comply on all material respects with the Generally Accepted Accounting Principles in India and the relevant provisions of the Companies Act, 1956. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(b) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Examples of such estimates include provisions for doubtful debts, employee benefits, assessment of income taxes, estimated cost of contracts and useful lives of fixed assets. The estimates and underlying assumptions are reviewed on an ongoing basis. Difference between actual results and estimates are recognized in the periods in which the results are known/materialised.

(c) Inventories

Raw materials, work-in-progress and finished goods are valued at lower of cost and net realizable value on weighted average basis. Stores and spare parts and loose tools are valued at lower of cost and net realizable value.

Cost of work-in-progress and finished goods is determined on full absorption cost basis.

(d) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax 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 financial statements

for the year ended 31st March, 2013

1. Principles of Consolidation (Contd.)

(e) Fixed assets

Tangible fixed assets

Tangible fixed assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and impairment losses, if any. Cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Interest on borrowings during the period of construction is added to the cost of fixed assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use net of any trade discounts and rebates. 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.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

(f) Depreciation and amortisation

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

Technical knowhow is amortised over the estimated period of benefit, not exceeding six years commencing from the date of purchase of the technology. Software expenditure is amortised over five years commencing from the date when the expenditure is incurred.

(g) Impairment of assets

The carrying value of assets are reviewed at each Balance Sheet date 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.

(h) Revenue recognition (other than contracts)

Revenue from sale of goods / rendering of services is recognized on transfer of significant risks and rewards of ownership to the buyer. Sales excludes sales tax collected from customers.

(i) Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

(j) Accounting of contracts

Contract Revenue is recognised on percentage completion method as required under Accounting Standard 7 -

Notes forming part of the financial statements**for the year ended 31st March, 2013****1. Principles of Consolidation (Contd.)**

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. 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 contract revenue, 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.

(k) Foreign exchange transactions**(i) Initial recognition**

Transactions in foreign currencies entered into by the Company and its integral foreign operations are 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.

(ii) Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

(iii) Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as net investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment.

The Company and some of its Indian subsidiaries have elected to account for exchange differences arising on reporting of long-term foreign currency monetary items in accordance with Companies (Accounting Standards) Amendment Rules, 2009 relating to Accounting Standard 11 (AS-11) notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011). Accordingly, the effect of exchange differences on foreign currency loans of the company is accounted by addition or deduction to the cost of the assets so far it relates to depreciable capital assets and in other cases by transfer to "Foreign Currency Monetary Item Translation Difference Account" to be amortised over the balance period of the long-term monetary items.

During the previous year, in line with the Notification dated 29th December, 2011 issued by the Ministry of Corporate Affairs, the Company had opted for the option given in Paragraph 46A of the Accounting Standard-11 "The Effects of Changes in Foreign Exchange Rates". Accordingly, the Company has, with effect from April 1, 2011, amortized the foreign exchange loss/(gain) incurred on foreign currency monetary items over the balance period of such long term foreign currency monetary items. The amortized portion of foreign exchange loss (net) incurred on long term foreign currency monetary items for the year ended March 31, 2013 is Rs. 526.61 lakhs (previous year Rs. 313.61 lakhs). The unamortized portion carried forward as on 31st March, 2013 is Rs. 284.75 lakhs (previous year Rs. 226.94 lakhs).

Notes forming part of the financial statements

for the year ended 31st March, 2013

1. Principles of Consolidation (Contd.)

(l) Accounting of forward contracts

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date.

(m) Investments

Long term investments are carried at cost and provisions are recorded to recognize any decline, other than temporary, in the carrying value of each investment. Current investments are carried at lower of cost and fair value.

(n) Employee Benefits

Employee benefits include provident fund, superannuation fund, gratuity fund and compensated absences.

Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of gratuity fund the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. 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. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes. Long Service Awards are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

(o) Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for

Notes forming part of the financial statements

for the year ended 31st March, 2013

1. Principles of Consolidation (Contd.)

qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

(p) 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 is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for 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 "Unallocated revenue/expenses/assets/liabilities".

(q) Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

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 considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

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 is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

(r) Research and development

Research and development costs (other than cost of fixed assets acquired) are charged as an expense 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.

(s) Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on best estimates of the expenditure required to settle the present obligation. Contingent Liabilities are not recognised but disclosed in the notes. A disclosure for a contingent liability is made, unless the possibility of an outflow of resources is remote.

Provision for anticipated warranty costs is made on the basis of technical and available cost estimates.

Contingent Assets are neither recognised nor disclosed in the Financials Statements.

Notes forming part of the financial statements

for the year ended 31st March, 2013

1. Principles of Consolidation (Contd.)

(t) Derivative contracts

The Company enters into derivative contracts in the nature of foreign currency swaps, forward contracts with an intention to hedge its existing assets and liabilities, 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.

2. Shareholder's funds - Share capital

Authorised

Equity Shares of Rs. 10 each

Issued, subscribed and fully paid up

Equity shares of Rs.10 each

As at March 31, 2013		As at March 31, 2012	
Number of shares	Rs. in lakhs	Number of shares	Rs. in lakhs
30,000,000	3,000.00	30,000,000	3,000.00
11,004,412	1,100.44	11,004,412	1,100.44

Issued and subscribed capital exclude 635 equity shares 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 title is temporarily in dispute.

Notes: (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period.

Equity Shares

Issued, subscribed and fully paid up

At the beginning and end of the year

As at March 31, 2013		As at March 31, 2012	
Number of shares	Rs. in lakhs	Number of shares	Rs. in lakhs
11,004,412	1,100.44	11,004,412	1,100.44

(ii) Terms/Rights attached to Equity Shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each equity shareholder is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval by the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2013, the amount of per share dividend recognised as distribution to equity shareholders was Rs Nil per share (previous year: Rs. 4 per share).

In the event of the liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

TRF LIMITED

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TRF Limited and its Subsidiaries

Notes forming part of the financial statements

for the year ended 31st March, 2013

2. Shareholder's funds - Share capital (Contd.)

(iii) Details of shares held by each shareholder holding more than 5% shares:

Names of shareholders	As at March 31, 2013		As at March 31, 2012	
	Number of shares	% of Holding	Number of shares	% of Holding
Tata Steel Limited	3,585,428	32.58	3,585,428	32.58
Zash Traders through its Person Acting in concert	724,686	6.59	724,686	6.59
- Regal Investment and Trading Co. Pvt. Ltd.	307,786	2.80	307,786	2.80
- Vidya Investment and Trading Co. Pvt. Ltd.	233,000	2.12	233,000	2.12
- Nepean Investment and Trading Co. Pvt. Ltd.	183,900	1.67	183,900	1.67

(iv) Aggregate number and class of shares allotted as fully paid up by way of bonus shares during the period of five years immediately preceding March 31, 2013.

Equity Shares:

Equity shares allotted as fully paid up by way of bonus shares

As at March 31, 2013	As at March 31, 2012
5,502,206	5,502,206

During the year ended March 31, 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 one share for every share held by capitalisation of General Reserve.

3. Shareholder's funds - Reserves and surplus

Rs. in lakhs

	As at March 31, 2013	As at March 31, 2012
Amalgamation reserve	61.81	61.81
Opening balance and closing balance		
General reserve		
Opening balance	14,420.71	14,264.91
Add: Transferred from surplus in Statement of Profit and Loss	-	155.80
Closing balance	14,420.71	14,420.71
Foreign exchange fluctuation reserve		
Opening balance	47.31	-
Add: Effect of foreign exchange rate variations during the year	320.16	47.31
Closing balance (net of deferred tax Rs. 176.49 lakhs, as at 31.03.2012 Rs.22.73 lakhs)	367.47	47.31
Foreign currency translation reserve (arising on consolidation)		
Opening balance	(465.56)	(1,474.91)
Add: Effect of foreign exchange rate variations during the year	459.73	1,009.35
Closing balance	(5.83)	(465.56)
Foreign currency monetary item translation difference account		
Opening balance	(226.94)	-
Add: Addition during the year	(584.42)	(540.64)
Less: Utilisation during the year	526.61	313.70
Closing balance	(284.75)	(226.94)
Surplus in statement of profit and loss		
Opening balance	1,180.23	528.24
Add: Profit/(loss) for the year	(9,169.04)	1,319.38
Less: Proposed dividend	-	440.18
Tax on proposed dividend	-	71.41
Transferred to General Reserve	-	155.80
Closing balance	(7,988.81)	1,180.23
	6,570.60	15,017.56

Notes forming part of the financial statements

for the year ended 31st March, 2013

4. Long-term borrowings

Rs. in lakhs

	As at March 31, 2013			As at March 31, 2012		
	Long Term	Current Maturities of Long term debt (Refer note 9)	Total	Long Term	Current Maturities of Long term debt	Total
Term loan from banks (Secured)	26,616.78	4,380.92	30,997.70	21,568.75	4,173.69	25,742.44
Loans from other parties (Secured)	374.48	187.24	561.72	559.75	188.94	748.69
Term loan from banks (Unsecured)	-	-	-	288.32	386.60	674.92
Total	26,991.26	4,568.16	31,559.42	22,416.82	4,749.23	27,166.05

Notes

- (i) Long term loan from DBS Bank aggregating Rs. 4,146.80 lakhs (as at 31.03.2012 : Rs. 5,746.91 lakhs) is secured by pari passu first charge on the fixed assets of the Company.
- (ii) Long term loan from Dena Bank aggregating Rs. 3,275 lakhs (as at 31.03.2012 : Rs 3,000 lakhs) is secured by pari passu first charge on the fixed assets and second charge on the current assets of the Company.
- (iii) Long term loan from Axis Bank aggregating Rs. 4,538.96 lakhs (as at 31.03.2012 : Rs. 4,267.17 lakhs) is secured by first pari passu first charge on the fixed assets of the company, present and future except asset charged exclusively to Small Industries Development Bank of India (SIDBI), and second charge on the current assets of the Company.
- (iv) Long term loan from Axis Bank aggregating Rs. 6,000.00 lakhs (as at 31.03.2012 : Nil) is secured by pari passu first charge on the 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.
- (v) Long term loan from Indusind Bank aggregating Rs. 1,333.59 lakhs (as at 31.03.2012 : Nil) is secured by first pari passu charge on all fixed assets of the company, except asset charged exclusively to Small Industries Development Bank of India (SIDBI), and second charge on all current assets of the Company.
- (vi) Term loan from National Bank of Australia is secured against first mortgage charge over free hold land and specific building of certain subsidiaries.
- (vii) Term loan from National Development Bank, Sri Lanka is secured against mortgage over certain stock and book debts of certain subsidiaries.
- (viii) Term loan from Sampath Bank, Sri Lanka is secured against primary mortgage bond for USD 1,750,000/- over Stock in trade and book debts of certain subsidiaries.
- (ix) Term loan from Hatton National Bank, Sri Lanka is secured against primary floating mortgage bond over property at No 32 Wiyerama Road Gonawala, Kelaniya, Sri Lanka
- (x) Term loan from Bank of Ceylon, Sri Lanka is secured against primary mortgage over factory property situated at Dankotuwa, Sri Lanka, and machineries therein.
- (xi) Borrowings from HDFC Bank is secured by exclusive charge on both present and future Fixed and Current Assets of certain subsidiaries.
- (xii) Long term loan from Tata Capital is secured against first and exclusive charge on entire present and future fixed assets situated at Waki, Pune.
- (xiii) Term loan from Exim Bank is secured by 49% share holding of YORK Transport Equipment (Asia) Pte Ltd, a wholly owned subsidiary of the Company.

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for the year ended 31st March, 2013

04. Terms of repayment of borrowings are as follows

	Currency	INR Equivalent as at March 31, 2013 Rs. in lakhs	INR Equivalent as at March 31, 2012 Rs. in lakhs	Maturity date	Repayment of Installments	Number of Installment
Secured borrowings						
From banks						
DBS Bank:						
USD 9 million	USD	1,839.01	2,881.49	28-Jul-14	USD 1,125,000	8 (half-yearly)
GBP 2.5 million	GBP	1,648.42	2,046.73	14-Jul-14	GBP 500,000	1 (Annually)
					GBP 1,000,000	2 (Annually)
GBP 1.00 million	GBP	659.37	818.69	14-Jul-14	GBP 200,000	1 (Annually)
					GBP 400,000	2 (Annually)
Dena Bank	INR	2,625.00	3,000.00	25-Sep-16	INR 1,8750,000	16 (Quarterly)
	INR	650.00	-	27-Aug-18	INR 4,062,500	16 (Quarterly)
Axis Bank	INR	6,000.00	-	31-Dec-19	INR 15,000,000	4 (Quarterly)
					INR 37,500,000	4 (Quarterly)
					INR 45,000,000	4 (Quarterly)
					INR 52,500,000	4 (Quarterly)
Indusind Bank	USD	1,333.59	-	13-Jul-17	USD 1,223,713	2 (Annually)
Axis Bank USD 8.33 million	USD	4,538.96	4,267.17	21-Dec-18	USD 520,000	15 (Quarterly)
					USD 530,000	1 (Quarterly)
National Bank of Australia	AUD	393.92	417.10	28-Jun-13	AUD 20,000	51 (Quarterly)
Bank of Baroda, Singapore	SGD	-	966.15	4-Apr-12	SGD 791,667	12(Quarterly)
National Development Bank, Sri Lanka	USD	436.46	640.84	30-Sep-14	USD 41,000	36(Monthly)
Standard Chartered Bank, Sri Lanka	USD	-	290.80	28-Feb-14	USD 23,810	42(Monthly)
Sampath Bank, Sri Lanka	USD	17.34	74.63	30-Jul-13	USD 6,750	30(Monthly)
	USD	215.67	-	30-Jul-13	USD 6,750	48(Monthly)
Hatton National Bank, Sri Lanka	SLR	16.75	25.63	26-Oct-14	SLR 210,000	48(Monthly)
Bank of Ceylon	USD	241.86	-	28-Feb-16	USD 12,361.11	36(Monthly)
HDFC Bank	INR	740.69	1,092.44	10-Nov-14	INR 10,581,000	16(Quarterly)
	INR	40.00	-	31-Mar-15	INR 1,000,000	4(Quarterly)
Exim Bank	USD	9,600.66	9,220.77	22-May-19	USD 1,101,212	16(Quarterly)
Term loan from banks (secured)		30,997.70	25,742.44			
Financial Institution						
Tata Capital	INR	561.72	746.33	20-Dec-15	INR 4,687,500	16(Quarterly)
Suhali Bhawan Automotive (LLC Oman)	USD	-	2.36		USD 4,605	1 (Quarterly)
Loans from other parties		561.72	748.69			
Malayan Bank Berthad, Sri Lanka	USD	-	2.17	17-Mar-13	USD 353	84(Monthly)
ANZ Bank, Singapore	USD	-	672.75	31-Mar-12	USD 187,500	8 (Quarterly)
Term loan from banks (unsecured)		-	674.92			

5. Other long-term liabilities

Rs. in lakhs

Employee separation compensation
Deposits from employees
Other Long Term Liability
Total

As at March 31, 2013	As at March 31, 2012
50.11	67.64
29.35	24.60
40.57	-
120.03	92.24

Notes forming part of the financial statements

for the year ended 31st March, 2013

6. Long term provisions

	Rs. in lakhs
As at March 31, 2013	As at March 31, 2012
Provision for employee benefits	
Post-employment defined benefits	
Pension obligations	677.97
Others	28.07
Compensated absences	593.68
	<u>1,299.72</u>
	<u>974.66</u>

7. Short-term borrowings

	Rs. in lakhs
As at March 31, 2013	As at March 31, 2012
Loans from banks (Secured)	
Buyers Line of Credit	1,435.55
Cash Credit Account	8,504.90
Short term loans	14,524.41
Loans from banks (Unsecured)	-
From other parties (Unsecured)	1,537.36
Total	<u>26,002.22</u>
	<u>23,148.97</u>

Notes: Details of the security for the short-term borrowings

- (i) Facilities from Canara Bank aggregating Rs. 3,998.41 lakhs (as at 31.03.2012: Rs. 3,780.88 lakhs) are secured by Pari passu first charge on stock & book debts of the company and second charge on Plant and machinery except assets charged exclusively to Small Industries Development Bank of India (SIDBI)
- (ii) Facilities from Bank of Baroda aggregating Rs. 5,079.72 lakhs (as at 31.03.2012: Rs. 5,599.56 lakhs) are secured by pari passu first charge on current assets of the company and on all the Fixed assets of the company except those specifically charged to SIDBI.
- (iii) Facilities from Central Bank of India aggregating Rs. 941.94 lakhs (as at 31.03.2012: Rs. 4,490.55 lakhs) are secured by way of pari passu charge on current assets of the company in favour of the lending banks on reciprocal basis under multiple banking agreements.
- (iv) Facilities from IDBI Bank Rs. 1,500 lakhs (as at 31.03.2012: Rs. Nil) are secured by way of pari passu first charge on all movable assets and second charge on fixed asset except assets charged exclusively to SIDBI.
- (v) Facilities from HDFC Bank aggregating Rs. 2,400 lakhs (as at 31.03.2012: Nil) are secured by way of first pari passu 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 those specifically charge to SIDBI.
- (vi) Facilities from Indian Bank aggregating Rs. 2,502.21 lakhs (as at 31.03.2012: Rs. 2,750.27 lakhs) are secured by way of pari passu first charge on all current assets of the company except stock of raw materials purchased under bill discounting (components) Scheme of SIDBI and pari passu second charge on all fixed assets of the company.
- (vii) Buyers' line of credit are secured by hypothecation, ranking paripassu, of all tangible movable assets including in particular stocks of raw materials other than those purchased under bill discounting (components) scheme of SIDBI, finished goods, work-in-progress, consumables, spares and other movable assets and book debts, outstanding and other receivables.
- (viii) Loan taken from Commercial Bank, National Development Bank and Sampath Bank, Sri Lanka, are secured by pari passu first charge on stock-in-trade and book debts of certain subsidiaries and second charge on plant and machineries of certain subsidiaries.
- (ix) Loan taken from Bank of Ceylon, Sri Lanka, are secured by way of pari passu first charge on factory property situated at Dankotuwa, Sri Lanka and machineries therein.
- (x) Borrowings from HDFC Bank is secured by exclusive charge on both present and future Fixed and Current Assets of certain subsidiaries.
- (xi) Loan taken from UOB, Singapore, are secured by way of pari passu first charge on certain land and building of certain subsidiaries.
- (xii) Loan taken from ICICI Bank, Singapore, are secured by way of pari passu first charge on current assets of certain subsidiaries.

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8. Trade payables

Rs. in lakhs

Trade Payables

Acceptances

Other than acceptances

Total

As at March 31, 2013	As at March 31, 2012
4,833.76	5,384.19
33,715.73	31,387.28
38,549.49	36,771.47

9. Other current liabilities

Rs. in lakhs

Current maturities of long-term debt (Refer Note 4)

Interest accrued but not due on borrowings

Interest accrued and due on borrowings

Unpaid dividends

Advances received from customers

Dues to customers for contracts in progress

Payables on purchase of fixed assets

Employee benefits

Statutory obligations

Others

Total

As at March 31, 2013	As at March 31, 2012
4,568.16	4,749.23
114.48	120.18
119.76	64.14
37.54	32.90
12,030.72	5,732.92
12,396.62	5,344.89
122.45	47.76
466.64	112.33
330.86	398.14
1,201.33	1,512.35
31,388.56	18,114.84

10. Short term provisions

Rs. in lakhs

Provision for employee benefits

Post-employment Defined Benefits

Pension Obligations

Others

Compensated Balances

Provision for tax (net)

Provision for Foreceeeable loss

Proposed dividend

Tax on proposed dividend

Provision for Warranty (refer Note 26 (ix))

As at March 31, 2013	As at March 31, 2012
40.70	37.66
8.03	4.20
265.63	107.81
4,215.04	3,506.80
166.40	-
-	440.18
-	71.41
352.69	389.80
5,048.49	4,557.86

Notes forming part of the financial statements

for the year ended 31st March, 2013

11. Fixed assets

Rs. in lakhs

A. Tangible assets	Gross block					Depreciation/Amortisation					Net block	
	As at April 1, 2012 (at cost)	Additions*	Deductions	Currency realignment	As at March 31, 2013 (at cost)	As at April 1, 2012	For the year	Deductions	Currency realignment	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012
Land	862.64 (878.10)	-	-	29.02 (-15.46)	891.66 (862.64)	-	-	-	-	-	891.66	862.64
Buildings and Roads	7,597.89 (5,076.81)	32.09 (2,142.99)	- (16.85)	176.04 (394.94)	7,806.02 (7,597.89)	1,906.45 (1,498.51)	327.67 (248.91)	- (16.85)	55.10 (175.88)	2,289.22 (1,906.45)	5,516.80	5,691.44
Plant and Machinery	6,828.92 (5,756.26)	728.37 (952.22)	13.18 (31.86)	114.42 (152.30)	7,658.53 (6,828.92)	3,818.56 (3,254.20)	460.78 (429.73)	7.02 (22.43)	95.51 (157.06)	4,367.83 (3,818.56)	3,290.70	3,010.36
Furniture and Fixtures	612.53 (469.97)	31.16 (126.89)	36.22 (5.15)	12.25 (20.82)	619.72 (612.53)	363.06 (300.39)	42.38 (47.65)	35.38 (3.54)	11.99 (18.56)	382.05 (363.06)	237.67	249.47
Office equipment	1,133.23 (862.14)	103.05 (131.97)	14.33 (1.10)	53.13 (140.22)	1,275.08 (1,133.23)	905.24 (722.87)	90.12 (65.21)	13.05 (0.58)	50.11 (117.74)	1,032.42 (905.24)	242.66	227.99
Motor vehicles	799.69 (757.80)	76.72 (36.28)	63.37 (48.19)	29.92 (53.80)	842.96 (799.69)	583.59 (503.19)	80.69 (80.92)	58.77 (41.40)	24.55 (40.88)	630.06 (583.59)	212.90	216.10
Electrical installation	439.30 (335.85)	3.95 (105.78)	- (0.79)	3.08 (-1.54)	446.33 (439.30)	124.62 (95.85)	36.05 (29.80)	- (0.63)	1.68 (-0.4)	162.35 (124.62)	283.98	314.68
Laboratory equipment	10.34 (10.34)	5.43 -	1.35 -	- -	14.42 (10.34)	8.36 (8.14)	0.45 (0.22)	1.32 -	- -	7.49 (8.36)	6.93	1.98
Total	18,284.54	980.77	128.45	417.86	19,554.72	7,709.88	1,038.14	115.54	238.94	8,871.42	10,683.30	10,574.66
Previous year	14,147.27	3,496.13	103.94	745.08	18,284.54	6,383.15	902.44	85.43	509.72	7,709.88	10,574.66	

Rs. in lakhs

B. Intangible assets	Gross block					Depreciation/Amortisation					Net block	
	As at April 1, 2012 (at cost)	Additions	Deductions	Currency realignment	As at March 31, 2013 (at cost)	As at April 1, 2012	For the year	Deductions	Currency realignment	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012
Technical know-how	861.37 (782.77)	-	-	116.58 (78.60)	977.95 (861.37)	861.37 (763.28)	- (11.48)	-	116.58 (86.61)	977.95 (861.37)	-	-
Trade mark	86.98 (76.48)	6.54 -	-	5.71 (10.50)	99.23 (86.98)	20.30 (5.11)	16.03 (13.62)	-	1.79 (1.57)	38.12 (20.30)	61.11	66.68
Computer software	845.90 (702.19)	31.30 (116.67)	-	17.17 (27.04)	894.37 (845.90)	321.14 (166.39)	160.40 (150.35)	-	5.29 (4.40)	486.83 (321.14)	407.54	524.76
Total	1,794.25	37.84	-	139.46	1,971.55	1,202.81	176.43	-	123.66	1,502.90	468.65	591.44
Previous year	1,561.44	116.67	-	116.14	1,794.25	934.78	175.45	-	92.58	1,202.81	591.44	

* Additions during the previous year include borrowing costs capitalised Rs 106.09 lakhs

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for the year ended 31st March, 2013

12. Investments (at cost less provision other than temporary, if any)

	As at March 31, 2013						Rs. in lakhs			
	Face value	Currency	Number	Non-current	Current portion of Long term investments	Total	Number	Non-current	Current portion of Long term investments	Total
Trade investments										
I. Investment in Equity shares										
(a) Other Investments										
(i) Quoted										
HDFC Bank Ltd.	2	INR	2500	0.05	-	0.05	2,500	0.05	-	0.05
(ii) Unquoted										
(1) Tata Projects Limited	100	INR	67,500	233.75	-	233.75	67,500	233.75	-	233.75
(2) Rujuvalika Investments Limited	10	INR	137,500	22.50	-	22.50	137,500	22.50	-	22.50
(3) Twin Star Jupiter Co-operative Housing Society Limited	50	INR	5	*	-	-	5	*	-	-
(4) Nicco Jubilee Park Ltd.	10	INR	30,000	3.00	-	3.00	30,000	3.00	-	3.00
Less: Provision for diminution in value				(3.00)	-	(3.00)		(3.00)	-	(3.00)
(5) Lanka IOC Limited	2800	SLR	27	0.23	-	0.23	27	0.20	-	0.20
II. Investment in Debentures										
Unquoted										
8% Debentures in Tata Projects Limited				-	-	-	3750	-	37.50	37.50
One third of the value redeemed during the year as per terms of issue.			-							
Total				256.53	-	256.53		256.50	37.50	294.00

* represent values below Rs 1 Lakh.

Notes :-

	Rs. in lakhs	Rs. in lakhs
(i) (a) Aggregate amount of quoted investments	0.05	0.05
Market value of quoted investments.	16.97	13.00
(b) Aggregate amount of unquoted investments	259.48	296.95
	259.53	297.00
(c) Aggregate provision for diminution in the value of investments - Non current investments	(3.00)	(3.00)
	256.53	294.00

(ii) Reconciliation for disclosure as per Accounting Standard 13

Long term investments

Non Current Investments (Refer Note no. - 12 above)

Current portion of long-term investments - (Refer Note no. 12 above)

Current investments

Other current investments

Total

As at March 31, 2013 Rs. in lakhs	As at March 31, 2012 Rs. in lakhs
256.53	256.50
-	37.50
256.53	294.00
-	-
256.53	294.00

Notes forming part of the financial statements

for the year ended 31st March, 2013

13. Long term loans and advances - unsecured, considered good

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Loans and advances		
Capital advances	142.62	106.75
Security deposits	472.72	440.48
Balances with government authorities		
- Excise authorities	7.29	3.57
- Sales tax authorities	16.34	24.57
Other loans and advances		
- Prepayments	320.53	238.36
- Others	13.29	147.01
Advance income tax (net)	1,371.76	1,971.40
Total	2,344.55	2,932.14

14. Inventories and contracts in progress

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Contracts in progress	8,647.50	2,966.48
Inventories		
At lower of cost and net realisable value		
Raw materials	10,746.77	9,833.45
(Including goods in transit Rs. 744.89 lakhs, as at 31.03.2012 : Rs. 603.62 lakhs)		
Work-in-progress	3,309.60	2,990.52
Finished products	3,835.02	2,903.89
Excise duty on finished products not assessed to duty	100.51	90.72
	3,935.53	2,994.61
Stock in trade of goods acquired for trading	1,067.96	942.63
Stores and spare parts	441.18	146.46
Loose tools	54.11	47.50
Total	28,202.65	19,921.65

Cost of inventory is ascertained on the 'weighted average' basis. Cost of work-in-progress and finished goods is determined on full absorption cost basis.

15A. Trade receivables

	Rs. in lakhs	
	As at March 31, 2013	As at March 31, 2012
Trade receivables		
(Unsecured, considered good unless otherwise stated)		
Outstanding for a period exceeding six months, from the date they were due for payment.	10,516.20	8,114.67
Others *	54,807.89	48,326.86
Gross current trade receivables	65,324.09	56,441.53
Less: Provision for doubtful trade receivables	3,178.98	1,629.92
Total	62,145.11	54,811.61

* Others include Rs. 7,790.46 lakhs (as at 31.03.2012 : Rs. 13,011.03 lakhs) being amount receivable within the operating cycle but due after one year.

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15 B Other non-current assets

Rs. in lakhs

Other non-current assets

Gross non-current trade receivables (unsecured, considered good)

Total

As at March 31, 2013	As at March 31, 2012
512.05	563.46
512.05	563.46

16. Cash and bank balance

Rs. in lakhs

Cash on hand

Cheques on hand

Balances with banks

On current account

On unpaid dividend account*

On deposit account (maturity less than 12 months)

Total

Of the above, the balances that meet the definition of cash and cash equivalents as per AS 3 Cash flow statement

As at March 31, 2013	As at March 31, 2012
31.92	57.27
150.82	1,095.29
6,095.06	5,866.05
37.16	32.54
80.88	39.82
6,395.84	7,090.97
6,358.68	7,058.43

* Balance with bank - unpaid dividend account include Rs. 37.16 lakhs (as at March 31, 2012 : Rs. 32.54 lakhs) which have restriction on repatriation.

17. Short term loans and advances

Rs. in lakhs

Security deposits

Considered good

Considered doubtful

Less : Provision for doubtful deposits

Balances with government authorities

Value added tax receivable

Service tax

Excise authorities

Sales tax

Considered good

Considered doubtful

Less: Provision for doubtful deposits

Other loans and advances

Prepayments

MAT credit entitlement

Advances to suppliers

Others

Total

As at March 31, 2013	As at March 31, 2012
152.85	93.63
67.12	54.20
219.97	147.83
67.12	54.20
152.85	93.63
622.15	456.26
664.91	272.06
915.41	648.49
2,008.92	1,149.73
30.15	-
2,039.07	1,149.73
30.15	-
2,008.92	1,149.73
777.60	750.04
66.05	30.51
2,498.65	2,980.74
1,244.68	1,433.38
8,951.22	7,814.84

Notes forming part of the financial statements

for the year ended 31st March, 2013

18. Other current assets

Rs. in lakhs

	As at March 31, 2013	As at March 31, 2012
Unbilled revenue* (Refer note below)	1,567.81	2,993.81
Interest accrued on investments	-	1.77
Others	4.24	28.69
Total	1,572.05	3,024.27

* Unbilled revenue includes Rs. 73 lakhs (as at 31.03.2012 : Rs. 274 lakhs) being amount receivable within the operating cycle but due after one year.

19. Revenue from operations

Rs. in lakhs

	Year ended March 31, 2013	Year ended March 31, 2012
Revenue from turnkey projects	48,040.74	63,141.78
Sale of products	64,066.01	70,274.49
Sale of services	2,844.38	2,390.61
Revenue from operations (gross)	114,951.13	135,806.88
Less : Excise duty on revenue from operations	3,468.70	3,066.25
Revenue from operations (net)	111,482.43	132,740.63

20. Other income

Rs. in lakhs

	Year ended March 31, 2013	Year ended March 31, 2012
Dividend Income from long term investment	67.50	165.90
Interest Income		
From long term investment	1.24	4.25
Others	5.54	3.49
Liabilities/ provisions no longer required written back	175.36	132.49
Bad debts recovered	100.39	-
Incentive	251.62	-
Miscellaneous income	216.08	352.90
Total	817.73	659.03

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

Rs. in lakhs

	Year ended March 31, 2013	Year ended March 31, 2012
Inventories at the beginning of the year		
Finished products	2,994.61	3,860.56
Stock in trade of goods acquired for trading	942.63	624.33
Work- in-progress	2,990.52	2,536.81
Contracts in progress	2,966.48	3,069.25
	9,894.24	10,090.95

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21. Changes in contracts in progress and inventories of finished products and work in progress (Contd.)

Add : Foreign exchange movement

Inventories at the end of the year

Finished products

Stock in trade of goods acquired for trading

Work- in-progress

Contracts in progress

Net (increase)/decrease

Rs. in lakhs

Year ended March 31, 2013	Year ended March 31, 2012
177.85	302.50
10,072.09	10,393.45
3,935.53	2,994.61
1,067.96	942.63
3,309.60	2,990.52
8,647.50	2,966.48
16,960.59	9,894.24
(6,888.50)	499.21

22. Employee benefits expense

Salaries, wages and other benefits

Company's contribution to provident fund and other funds

Workmen and staff welfare expenses

Total

Rs. in lakhs

Year ended March 31, 2013	Year ended March 31, 2012
9,666.78	8,754.60
1,404.33	928.09
716.32	624.20
11,787.43	10,306.89

23. Finance cost

Interest expenses

Bank charges

Applicable net gain/(loss) on foreign currency transactions and translation (considered as finance cost)

Less Interest capitalised

Total

Rs. in lakhs

Year ended March 31, 2013	Year ended March 31, 2012
4,994.39	3,279.33
406.36	404.16
93.24	459.45
5,493.99	4,142.94
-	106.09
5,493.99	4,036.85

24. Other expenses

Consumption of stores, spare parts and loose tools

Repairs to buildings

Repairs to plant and machinery

Repairs to office equipment

Power and fuel

Rs. in lakhs

Year Ended March 31, 2013	Year Ended March 31, 2012
963.36	912.30
600.69	429.10
361.03	286.22
88.69	120.45
538.29	547.54

Notes forming part of the financial statements

for the year ended 31st March, 2013

24. Other expenses (Contd.)

	Rs. in lakhs	
	Year Ended March 31, 2013	Year Ended March 31, 2012
Travelling, conveyance and car running expenses	1,834.88	1,874.95
Rent	1,208.83	1,148.97
Rates, taxes and licences	461.23	215.93
Sales tax (net)	564.57	656.37
Excise duty (net)	487.53	161.30
Service tax (net)	942.14	1,233.23
Insurance	452.01	402.52
Freight and handling charges	3,755.06	3,136.29
Service charges (collection and order procurement)	684.96	284.95
Professional fees	1,530.93	1,677.91
Telephone expenses	253.61	266.83
Directors' fees	24.12	44.45
Bad debts written off	56.31	284.23
Provision for doubtful debts & advances (net)	1,593.36	755.02
Provision for doubtful advances	-	16.55
Liquidated damages	27.14	13.40
Provision of warranty expenses	156.41	125.37
Loss on foreign exchange fluctuation (net)	900.53	1,208.66
Auditor remuneration and out of pocket expenses		
(i) To statutory auditors	51.00	51.00
For taxation matters	4.00	4.50
For other services	7.91	12.01
For reimbursement of expenses	7.62	3.71
(ii) To cost auditors for cost audit	2.50	-
Provision for foreseeable loss	166.40	-
Loss on sale of fixed assets	3.99	5.16
Other expenses	1,458.63	1,148.04
Total	19,187.73	17,026.96

Notes forming part of the financial statements

for the year ended 31st March, 2013

25. Additional Information to the Financial Statements

	Rs. in lakhs	
	March 31, 2013	March 31, 2012
(i) Contingent liabilities		
(a) Sales tax matters in dispute relating to issues of applicability and classification	20,273.09	59.59
(b) Excise duty and service tax matters in dispute relating to applicability and classification	1,013.91	159.22
In respect of the above excise and service tax matters in dispute, the Company has deposited Rs. 2.50 lakhs (as on 31.03.2012 Rs. 2.50 lakhs) against various orders, pending disposal of the appeals. This amount is included under Note 13 -Long term loans and advances.		
(c) Income Tax matters in dispute	1,021.57	1,314.91
(d) Claims against the Company not acknowledged as debt (Comprises primarily of liquidated damages and other claims made by customers)	4,587.84	535.83
(e) Bank guarantee	226.51	2.00
(f) Others	153.26	83.77
Future cash outflows in respect of above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities		
(ii) Estimated amount of contracts remaining to be executed on capital account and not provided for.	388.43	538.72
(iii) 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 in the Financial Statement as the effect cannot be accurately determined.		
(iv) No provision has been made for liquidated damages and other claims by certain customers, wherever these have been refuted by the Company and it expects to settle them without any loss. Pending settlement of these claims, the relative sundry debtors balances have been shown in the accounts as fully recoverable and have been disclosed as contingent liabilities under claims against the Company not acknowledged as debt.		
(v) Scrap and off- cuts at the contract sites are being accounted on cash basis, since segregation and quantification of such items at the financial period end is not practicable in view of the contracts being in progress.		

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards

- (i) Details of contract revenue and cost as per Accounting Standard 7 notified by the Companies (Accounting Standards) Rules, 2006 in respect of contracts entered on or after 01.04.2003 and in progress as at year end, is given below :

	Rs. in lakhs	
	Year ended March 31, 2013	Year ended March 31, 2012
Contract revenue recognised as revenue during the year	48,023.71	63,133.67
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) upto the reporting date	297,485.56	266,541.91
	As at March 31, 2013	As at March 31, 2012
Advances received for contracts in progress (unadjusted)	10,112.12	4,144.75
Retention money for contracts in progress	26,689.67	22,557.75
Gross amount due from customers for contract work (asset)	1,567.81	2,993.81
Gross amount due to customers for contract work (liability)	12,393.59	5,331.26
For the method used to determine the contract revenue recognised and the stage of completion of contract in progress, refer Note 1(ii) (j)		

- (ii) (a) The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The company has recognized in the Statement of Profit and Loss an amount of Rs. 721.11 lakhs (previous year : Rs. 665.66 lakhs) under defined contribution plans.

	Rs. in lakhs	
Benefit (Contribution to)	March 31, 2013	March 31, 2012
Provident Fund	408.08	377.83
Superannuation Fund	251.23	221.67
Employees Pension Scheme	61.80	66.16
	721.11	665.66

The above excludes contributions by certain subsidiaries to 'Social Security Fund' etc.

- (b) The company operates post retirement defined benefit plans as follows :
- Unfunded
 - Leave encashment
 - Pension to directors
 - Funded
 - Gratuity

Notes forming part of the financial statements for the year ended 31st March, 2013

26. Disclosures under Accounting Standards (Contd.)

(c) Details of unfunded defined benefit obligations are as follows :

Rs. in lakhs

Description	Gratuity			Leave encashment					Pension to Directors				
	March 31,2013	March 31,2012	March 31,2011	March 31,2013	March 31,2012	March 31,2011	March 31,2010	March 31,2009	March 31,2013	March 31,2012	March 31,2011	March 31,2010	March 31,2009
1. Reconciliation of opening and closing balances of obligation													
a. Opening obligation*	48.48	42.42	30.93	454.52	405.80	358.99	296.56	232.68	593.44	567.66	494.71	450.10	334.92
b. Current service cost	54.23	3.52	12.91	83.12	70.37	54.07	42.99	35.12	37.00	36.42	33.80	74.36	62.28
c. Interest cost	-	6.82	6.79	34.63	28.22	26.07	19.22	15.78	49.14	43.92	36.71	32.29	26.07
d. Contribution by plan participants	-	-	-	-	-	-	-	1.39	-	-	-	-	-
e. Acquisitions #	-	-	-	0.46	22.74	0.29	-	-	-	-	-	-	-
f. Actuarial (gain)/loss	-	-	-	200.39	44.86	33.36	73.83	82.54	83.15	(17.28)	38.20	(34.77)	44.91
g. Benefits paid	(3.14)	(4.17)	(4.70)	(101.27)	(117.47)	(66.98)	(73.61)	(70.95)	(44.06)	(37.27)	(35.76)	(27.28)	(18.08)
h. Exchange translation difference	5.48	(0.11)	-	0.60	-	-	-	-	-	-	-	-	-
i. Closing obligation ##	105.05	48.48	45.93	672.45	454.52	405.80	358.99	296.56	718.67	593.44	567.66	494.70	450.10
2. Expense recognized in the period													
a. Current service cost	54.23	3.52	12.91	83.12	70.37	54.07	42.99	35.12	37.00	36.42	33.80	74.36	62.28
b. Interest cost	-	6.82	6.79	34.63	28.22	26.07	19.22	15.78	49.14	43.92	36.71	32.30	26.07
c. Actuarial (gain)/loss	-	-	-	200.39	44.86	33.36	73.83	82.54	83.15	(17.28)	38.20	(34.77)	44.91
d. Expense recognized in the period	54.23	10.34	19.70	318.14	143.45	113.50	136.04	133.44	169.29	63.06	108.71	71.89	133.26
The expense is disclosed in the line item - Salaries, wages and other benefits (Note 22)													
3. Assumptions													
a. Discount rate (per annum)	11%	11%	11%	8.10 % to 8.50%	8.25 % to 8.60%	8% to 11%	7.70%	7.40%	8.10%	8.60%	8.00%	7.70%	7.40%
4. Experience adjustment													
a. Defined benefit obligation ##	(105.05)	(48.48)	(45.93)	672.45	(454.52)	(405.80)	(358.99)	(296.56)	718.67	(593.44)	(567.66)	(494.70)	(450.10)
b. Plan assets	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
c. Surplus/ (deficit)	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
d. Experience adjustments on plan liabilities	N.A	N.A	N.A	(80.87)	(60.01)	(42.05)	(54.87)	(70.40)	(51.66)	(16.56)	N.A	19.78	(19.10)
e. Experience adjustment on plan assets	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

* One of the subsidiary has transferred its unfunded gratuity obligation to funded obligation in the previous year. As a result the opening balance of unfunded gratuity obligation of Rs. 3.51 lakhs was transferred to funded obligation in the previous year.

Amount transferred from Associate Companies is Rs. 0.46 lakhs (Previous year : Rs. 22.74 lakhs)

Excludes Rs. 186.86 lakhs (Previous year : Rs. 48.17 lakhs) of undiscounted compensated absences of certain subsidiaries

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards (Contd.)

- (d) Details of Post Retirement Gratuity Plan except in respect of Port and Yard Equipment division (P&YE) which is managed independently by Life Insurance Corporation of India (LIC) are as follows:- *

	March 31, 2013	March 31, 2012
1. Reconciliation of opening and closing balances of obligation		
a. Opening obligation ##	1,114.92	1,097.27
b. Current service cost	66.66	88.86
c. Interest cost	85.76	80.75
d. Contribution by plan participants #	0.47	31.22
e. Actuarial (gain)/loss	362.38	(2.25)
f. Benefits paid	(217.08)	(180.93)
g. Closing obligation	1,413.11	1,114.92
The defined benefit obligation as at 31.03.13 is funded by the company		
2. Change in plan assets (Reconciliation of opening & closing balances)		
a. Opening fair value of plan assets	1,061.07	970.15
b. Expected return on plan assets	97.04	83.42
c. Contribution by plan participants #	14.08	37.75
d. Actuarial gain/(loss)	(9.49)	(21.89)
e. Contributions	135.00	169.23
f. Benefits paid	(217.08)	(177.59)
g. Closing fair value of plan assets	1,080.62	1,061.07
3. Reconciliation of fair value of assets and obligations		
a. Closing fair value of plan assets	1,080.62	1,061.07
b. Closing obligation	1,413.11	1,114.92
c. Amount recognised in the balance sheet * (Note 9)	(332.49)	(53.85)
4. Expense recognized in the period		
a. Current service cost	66.66	88.86
b. Interest cost	85.76	80.75
c. Expected return on plan assets	(97.04)	(83.42)
d. Actuarial (gain)/loss	371.87	19.64
e. Expense recognized in the period *	427.25	105.84
The expense is disclosed in the line item – Company's contribution to provident fund and other funds (Note 22)		
	%age invested	%age invested
5. Investment details		
a. GOI securities	18.30	18.80
b. Public sector unit (PSU) bonds	27.94	30.61
c. State / Central guaranteed securities	5.10	7.18
d. Special deposit schemes	39.42	38.32
e. Private sector bonds	1.61	1.49
f. Others (including bank balances and insurance products)	7.63	3.60
Total	100.00	100.00
6. Assumptions		
a. Discount rate (per annum)	8.10 % to 8.50%	8.25 % to 8.60%
b. Estimated rate of return on plan assets (per annum)	8.00%	8.00%
c. Rate of escalation in salary (per annum)	7.00% to 10.00%	6.00%
The estimate of future salary increases take into account inflation, seniority, promotion and other relevant factors.		
7. Experience adjustments		

	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
a. Defined benefit obligation	(1,413.11)	(1,114.92)	(1,093.76)	(992.61)	(964.28)
b. Plan assets at the end of the period	1,080.62	1,061.07	970.15	973.71	938.10
c. Surplus/ (deficit)	(332.49)	(53.85)	(123.61)	(18.90)	(26.18)
d. Experience adjustments on plan liabilities	(161.65)	(36.11)	(107.36)	(66.32)	(62.83)
e. Experience adjustment on plan assets	(9.53)	(21.96)	(12.13)	10.35	47.31

Amount transferred from associate companies is Rs. 0.47 lakhs (Previous year: Rs. 31.20 lakhs).

One of the subsidiary has transferred its unfunded gratuity obligation to funded obligation in the previous year. As a result the opening balance of unfunded gratuity obligation of Rs. 3.51 lakhs is transferred to funded obligation in the previous year.

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards (Contd.)

*The gratuity liability in respect of P&YE division of the Company is determined based on premium charged by LIC under the group gratuity scheme. Expenses recognised in the period as disclosed above excludes Rs. 7.50 lakhs (previous year Rs. 10 lakhs) contributions made by P&YE division to LIC. Amount recognised in the balance sheet as disclosed above excludes Rs. 16.63 lakhs (previous year Rs. 10 lakhs) pertaining to P & YE division. Disclosures pursuant to AS - 15 have not been made in respect of the Post retirement Gratuity plan of P&YE division as details have not been furnished by LIC to the company and the amounts are not expected to be material.

*Represented by

	March 31, 2013	Rs. in lakhs March 31, 2012
Employee benefits under other current liabilities (Note 9)	466.64	112.33
Others under short term loans and advances (Note 17)	12.47	-

The basis used to determine overall expected rate of return on assets and the effect on major categories of plan assets is as follows:

The major portions of the assets are invested in PSU bonds and special deposits. The long term estimate of the expected rate of return on the fund assets have been arrived at based on the asset allocation and prevailing yield rates on these asset classes.

Assumed rate of return on assets is expected to vary from year to year reflecting the returns on matching government bonds.

(iii) Details of Borrowing costs capitalised

Borrowing costs capitalised during the year

As Fixed assets

As Work-in-progress

	March 31, 2013	Rs. in lakhs March 31, 2012
	-	106.09
	-	-
	-	106.09

(iv) Segment reporting

	2012-13				2011-12			
Business segment	Products & Services	Projects & Services	Elimination	Total	Products & Services	Projects & Services	Elimination	Total
Segment revenue								
External sales	60,090.93	51,391.50		111,482.43	67,365.02	65,375.61	-	132,740.63
Inter-segment revenue	16,753.34	-	(16,753.34)	-	13,338.35	-	(13,338.35)	-
Total revenue	76,844.27	51,391.50	(16,753.34)	111,482.43	80,703.37	65,375.61	(13,338.35)	132,740.63
Segment result-								
Profit before prior period items	6,305.16	(9,434.86)		(3,129.70)	6,673.37	107.34		6,780.71
Segment result - Profit after prior period items	6,305.16	(9,434.86)		(3,129.70)	6,673.37	107.34		6,780.71
Unallocated corporate expenditure (net)				1,644.78				837.72
Operating profit				(4,774.48)				5,942.99
Interest expenses (net)				5,087.63				3,632.69
Other income				1,084.08				408.15
Profit before tax				(8,778.03)				2,718.45
Income tax				272.69				1,577.51
MAT credit entitlement				(35.54)				(30.51)
Deferred tax				117.96				(171.01)
Net profit/ (loss)				(9,133.14)				1,342.46
Other information								
Segment position								
Segment assets								
Unallocated corporate assets	56,879.39	57,681.25	-	114,560.64	46,778.71	48,880.74	-	95,659.45
			23,088.61	23,088.61	-	-	27,196.95	27,196.95
Total assets	56,879.39	57,681.25	23,088.61	137,649.25	46,778.71	48,880.74	27,196.95	122,856.40
Segment liabilities								
Unallocated corporate liabilities	24,947.97	41,233.99		66,181.96	28,530.05	28,555.45	-	57,085.50
			63,796.25	63,796.25	-	-	49,425.96	49,425.96
Total liabilities	24,947.97	41,233.99	63,796.25	129,978.21	28,530.05	28,555.45	49,425.96	106,511.46
Capital expenditure	850.23	94.19	74.19	1,018.61	3,409.99	81.62	121.19	3,612.80
Depreciation	959.62	82.48	172.47	1,214.57	946.62	118.94	12.33	1,077.89

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards (Contd.)

Secondary segments : Geographical

	Rs. in lakhs	
	March 31, 2013	March 31, 2012
Revenue by Geographical market		
India	84,561.55	105,889.49
Outside India	26,920.88	26,851.14
	<u>111,482.43</u>	<u>132,740.63</u>
Addition to fixed assets and intangible assets		
India	477.23	3,448.97
Outside India	541.38	163.83
	<u>1,018.61</u>	<u>3,612.80</u>
Carrying amount of segment assets		
India	91,742.00	80,526.49
Outside India	22,818.64	15,132.96
	<u>114,560.64</u>	<u>95,659.45</u>

Notes:

- Pursuant to the 'Accounting Standard on Segment Reporting' (AS-17) notified by the Companies (Accounting Standard) Rules 2006, the Company has considered 'business segment' as primary segment for disclosure. The Company has identified business segments mentioned below as primary segments:

(i) Products & services

(ii) Projects & services

There is no significant difference in the business conditions prevailing in various states of India, where the Company has its operation.

(v) Related party disclosures

Information relating to related party transactions as per Accounting Standard 18 notified by the Companies (Accounting Standards) Rules, 2006.

A) List of related parties and relationship

Party	Relationship
a) Tata Steel Limited	Associate - Tata Steel holds 32.58% of the voting powers of the Company
b) Key Management Personnel Mr. Sudhir L. Deoras	Managing Director

B) Related party transaction

	Rs. in lakhs	
	Associate	Key Management Personnel
1) Transactions during the year ended 31st March, 2013.		
(i) Sales and services (net of discount) Tata Steel Ltd	17,400.72 9,790.82	
(ii) Purchase of raw materials Tata Steel Ltd	1,794.31 3,810.20	

TRF LIMITED

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TRF Limited and its Subsidiaries

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards (Contd.)

	Associate	Key Management Personnel
(iii) Payment towards various services obtained Tata Steel Ltd	288.88 235.56	
(iv) Leasehold rent Tata Steel Ltd.	38.42 38.41	
(v) Dividend paid Tata Steel Ltd	143.41 71.71	
(vi) Remuneration paid Mr. Sudhir L. Deoras		109.05 156.95
B) Balance as on March 31, 2013		
(i) Receivables Tata Steel Ltd.	2,083.53 3,122.20	
(ii) Claims against the Company not acknowledged as debt Tata Steel Limited	520.27 501.83	
(iii) Payables Tata Steel Ltd	473.01 468.68	

(vi) Interest in Joint Ventures

The Group's interests in jointly controlled entities of the Group is :

Name of the Entity	Country of Incorporation	Ownership	Voting Power
Tata International DLT Private Limited*	India	50%	50%

* Shareholding is through a wholly owned subsidiary, Dutch Lanka Trailer Manufactures Limited

Interest in Joint Ventures is accounted for using proportionate consolidation method

Group share in the Assets, Liabilities, Income and Expenses with respect to Joint venture

	As at March 31, 2013	Rs. in lakhs At at March 31, 2012
A. Non current assets		
Fixed assets (including capital work-in-progress)	1,338.31	1,429.80
Deferred tax assets (net)	32.53	5.69
Long -term loans and advances	73.34	116.91
	1,444.18	1,552.40
Current assets		
Inventories	610.28	1,043.24
Trade receivables	501.22	656.89
Cash and cash equivalents	1.21	0.62
Short- term loans and advances	160.76	134.64
	1,273.47	1,835.39
Total	2,717.65	3,387.79

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards (Contd.)

	Rs. in lakhs	
B. Non current liabilities	As at March 31, 2013	At at March 31, 2012
Long-term borrowings	375.00	562.50
Long - term provisions	7.85	8.35
	<u>382.85</u>	<u>570.85</u>
Current liabilities		
Short-term borrowings	614.74	926.14
Trade payables	378.64	546.66
Other current liabilities	326.41	275.93
Short-term provisions	44.98	48.46
	<u>1,364.77</u>	<u>1,797.19</u>
Total	<u>1,747.62</u>	<u>2,368.04</u>
C. Income	Year ended March 31, 2013	Year ended March 31, 2012
Net sales and services	4,391.67	7,414.90
Other income	147.87	52.27
	<u>4,539.54</u>	<u>7,467.17</u>
D. Expenditure		
Operating & other expense	4,311.48	7,221.28
Depreciation	115.94	80.25
Finance cost	188.71	105.95
Provision for taxation (includes deferred tax)	(26.84)	24.31
	<u>4,589.29</u>	<u>7,431.79</u>
E. Other matters	As at March 31, 2013	At at March 31, 2012
Capital commitment	Nil	Nil
Other commitment	Nil	Nil
Contingent liabilities	Nil	Nil
(vii) Earnings per share	Rupees in Lakhs	
	March 31, 2013	March 31, 2012
(a) Profit/ (Loss) after tax and after minority interest as per the Statement of Profit and Loss (Rs. in lakhs)	(9,169.04)	1,319.38
(b) Weighted average number of equity shares of Rs.10/- each outstanding during the period (Nos)	11,004,412	11,004,412
(c) Earning/ (Loss) per share- Basic and diluted (Rs.)	(83.32)	11.99
(viii) Deferred tax (arising out of timing difference)	Rupees in Lakhs	
	March 31, 2013	March 31, 2012
Deferred tax assets comprises of tax effect of timing differences on account of:*		
Provision for doubtful debts and advances	195.16	455.10
Provision for contingencies	64.79	11.36
Provision for warranty	52.84	69.17
Depreciation	95.08	126.06

TRF LIMITED

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TRF Limited and its Subsidiaries

Notes forming part of the financial statements

for the year ended 31st March, 2013

26. Disclosures under Accounting Standards (Contd.)

	Rupees in Lakhs	
	March 31, 2013	March 31, 2012
Others, including compensated absence	309.20	153.66
	717.07	815.35
Deferred tax liability comprises of tax effect of timing difference on account of:		
Related to fixed assets	475.25	460.47
	241.82	354.88
Deferred tax liability for the exchange fluctuation on the long term loan given to TRF Singapore (a 100% subsidiary company)	176.50	22.71
Deferred tax asset (net)	65.32	332.17
Deferred tax assets	148.73	334.50
Deferred tax liabilities	(83.41)	(2.33)
	65.32	332.17

*One of the component has recognised the deferred tax asset on the basis of prudence, only to the extent of the deferred tax liability as at March 31, 2013.

- (ix) Provision of Rs. 352.69 lakhs (as on 31.03.2012 : Rs 389.80 lakhs) has been made for anticipated warranty costs relating to certain products manufactured and sold by the Company upto March 31, 2013 on the basis of technical and available cost estimates.

	Rupees in Lakhs	
	March 31, 2013	March 31, 2012
Opening balance	389.80	376.70
Accruals made during the year (included in raw material consumption Rs. 88.09 lakhs, previous year : Rs 58.18 lakhs)	244.50	183.55
Utilized during the year	211.55	125.69
Written back during the year	66.10	72.32
Currency realignment	3.96	27.56
Closing balance	352.69	389.80

- (x) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board

SUBODH BHARGAVA
Chairman

TARUN KR. SRIVASTAVA
Company Secretary

SUDHIR L. DEORAS
Managing Director

Place : Kolkata
Date : May 14, 2013

Summary of Financial Information of Subsidiary Companies: 2012-13

Rs. in lakhs

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	43.81	14,216.69	(1,561.04)	21,418.57	8,762.92	20,971.24	-	(672.96)	-	(672.96)	-	Singapore
2.	TRF Holdings Pte Ltd.	SGD	43.81	-	(432.43)	7,730.26	8,162.69	7,719.31	-	(370.65)	-	(370.65)	-	Singapore
3.	York Transport Equipment (Asia) Pte Ltd	USD	54.49	6,208.67	2,401.89	27,577.58	18,967.02	1,463.58	17,433.85	(1,039.11)	19.07	(1,058.18)	-	Singapore
4.	York Transport Equipment (India) Pvt Ltd	INR	1.00	1,390.33	(1,756.99)	5,362.52	5,729.18	-	9,115.09	(1,003.75)	-	(1,003.75)	-	India
5.	York Transport Equipment Pty Ltd	AUD	56.62	3,453.82	(4,162.14)	4,731.73	5,440.05	-	7,398.54	586.02	(110.41)	696.43	-	Australia
6.	York Sales (Thailand) Company Limited	THB	1.84	0.46	1,468.94	1,653.15	183.75	-	3,147.01	524.07	126.52	397.55	-	Thailand
7.	York Transport Equipment (SA) (Pty) Limited	RAND	5.88	5.88	(184.38)	361.52	540.01	-	129.11	83.49	-	83.49	-	South Africa
8.	Rednet Pte Ltd.	USD	54.49	-	(483.86)	18.53	502.39	-	-	(2.18)	-	(2.18)	-	Singapore
9.	PT York Engineering	RUPIAH	0.01	51.33	(234.80)	9.20	192.67	-	-	(10.62)	-	(10.62)	-	Indonesia
10.	YTE Special Products Pte Ltd	USD	54.49	-	576.50	1,889.14	1,312.65	1,667.33	3,909.06	113.34	(29.97)	143.31	-	Singapore
11.	Qingdao YTE Special Products Co. Limited	CNY	8.65	144.62	(462.77)	3,302.57	3,620.72	-	9,676.06	(42.82)	-	(42.82)	-	China
12.	YORK Transport Equipment (Shanghai) Co. Ltd.	CNY	8.65	1,672.83	72.66	3,632.48	1,936.99	-	6,989.63	78.46	32.44	46.02	-	China
13.	Aditya Automotive Applications Private Limited	INR	1.00	700.00	165.27	3,490.82	2,625.55	-	6,473.56	168.94	80.12	88.82	-	India
14.	Dutch Lanka Trailer Manufacturers Limited	LKR	0.43	652.63	778.80	4,187.02	2,755.59	1,087.46	3,738.68	(20.43)	14.65	(35.07)	-	Sri Lanka
15.	Dutch Lanka Engineering (Private) Limited	LKR	0.43	49.28	267.98	684.30	367.04	-	1,127.40	14.18	5.13	9.05	-	Sri Lanka
16.	Dutch Lanka Trailers Manufacturers LLC	OMR	140.82	211.23	25.35	330.93	94.35	-	347.83	(26.76)	-	(26.76)	-	Oman
17.	Hewitt Robins International Ltd	GBP	82.56	-	-	-	-	-	-	-	-	-	-	United Kingdom
18.	Hewitt Robins International Holding Ltd	GBP	82.56	-	1,850.20	2,597.38	747.18	-	1,993.86	449.13	108.98	340.15	-	United Kingdom

Notes

Serving the Nation

1975-76

TRF Ltd bagged the prestigious order from the Haryana State Electricity Board for a coal handling plant for their thermal power station at Panipat.

1976-77

- The heavy fabrication Bay was completed in record time of five months.
- Metallurgical laboratory and radiography facilities were installed.
- The Company secured a major order for supply of raw material blending systems, consisting of radial stackers and reclaimers. This concept was one of the "firsts" in India- enhancing the operations and efficiencies of cement plants.
- The Government of India, Department of Science and Technology, recognized the Research and Development Department of TRF Ltd for a period of three years.



1978-79

TRF made its Initial Public Offer which was listed in Bombay Stock Exchange.

1987-88

- Introduced the 'Stamp Charging Technology' in association with SAARBERG Inter-plan, West Germany, for the coke oven batteries used in steel plants.
- The Company started manufacturing underground mining vehicles; load haul dumpers and side discharge loaders.
- An imported Gantry Plano Miller with a versatile range was also commissioned.



Stamp Charging Technology



Side Discharge Loader

1996-97

- TRF Ltd was awarded the ISO 9000 Certificate for its products, which Mr Ratan Tata, Group Chairman received on behalf of the company, on March 2, 1996 in TRF Works premises.



ISO certification ceremony

- TRF bagged a major turnkey order from National Thermal Power Corporation for its project at Unchahar, Raebareli District, UP. For TRF, this was an opportunity for many "firsts". The Company would install sampling systems imported from Ramsey of Australia, Rack and Pinion-type elevators, etc.



NTPC's site at Unchahar



Cranes at Kandla

- Only TRFs cranes withstood the tremors of the earthquake that devastated Kandla Port in 2001.

The JRD Tata Learning Centre was inaugurated in the TRF premises, thus addressing the long- standing essential need of a knowledge centre.



Inauguration of the Learning Centre

2007-08

- Vision 2013 was launched, as a proclamation of its commitment to grow five times in five years.
- TRF bagged the largest ever project order worth Rs. 305 crores from Aravali Power Company Limited.
- TRF bagged its first direct export order from Doosan Heavy Industries & Construction, South Korea for supply of a reversible stacker reclaimer for their project in Cirebon, Indonesia.
- Diversified into auto application business by acquiring 51% of equity shares of York TEA, Singapore, a wholly owned subsidiary of Baker Technology Ltd. York is a global trailer undergear manufacturer with presence in Australia, Singapore, China & India.



York Agreement

2010-11

- Bay-7 was erected to add 5760 square meters of covered space.
- In April, 2010, TRF took another step forward in the direction of globalisation by acquiring UK based Hewitt Robins International Ltd (HRIL), a bulk material handling equipment manufacturing company. With this acquisition, HRIL became a 100% subsidiary of TRF Ltd.
- Installed Asia's first & biggest Radial Stacker Reclaimer (1800 TPH) in technical association with Schade, Germany.
- Acquired 100% equity shares of York Transport & DLT.
- Rain water harvesting facility set up to address the need of potable water in areas adjoining TRF Colony and TRF Works.



Radial Stacker Reclaimer



Rain Water Harvesting

CORPORATE SUSTAINABILITY



Environment



Health



Education



Employability



Entrepreneurship

Registered Office and Works :

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

Ph. No. : 0657-3046500/598, Fax : 0657-2345732

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

Website : www.trf.co.in




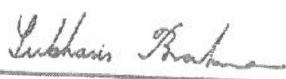
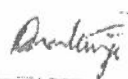
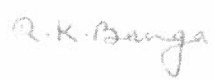
TRF**FORM A**

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, 2013
Type of Audit observation	<p>Emphasis of Matter</p> <p>We draw attention to Note No.1 (j), 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.</p> <p>Our report is not qualified in this regard.</p> <p>Relevant note in the financial statement</p> <p>"Contract Revenue is recognised on percentage completion method as required under Accounting Standard 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. 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 contract revenue, the</p>

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For TRF LIMITED

S. Prakash
COMPANY SECRETARY

	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	First time as Emphasis of Matter paragraph.
To be signed by-	
(i) Managing Director	 (Sudhir L. Deoras, Managing Director)
(ii) Chief, Finance and Accounts	 (S. Brahma, Chief, Finance & Accounts)
(iii) Audit Committee Chairman	 (Dipankar Chatterji, Chairman-Audit Committee)
Place : KOLKATA Date: MAY 14, 2013 Refer our Audit Report dated May14, 2013 on the standalone financial statements of the Company For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No. 302009E)  R. A. Banga (Partner) (Membership No 37915) Kolkata, May 14, 2013	

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For TRF LIMITED


COMPANY SECRETARY



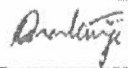

TRF**FORM A**

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, 2013
Type of Audit observation	<p>Emphasis of Matter</p> <p>We draw attention to Note No.1 (j), 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.</p> <p>Our report is not qualified in this regard.</p> <p>Relevant note in the financial statement</p> <p>"Contract Revenue is recognised on percentage completion method as required under Accounting Standard 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. 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 contract revenue, the expected loss is</p>

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For TRF LIMITED

S. Srivastava
COMPANY SECRETARY

	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	First time as Emphasis of Matter paragraph.
To be signed by:	
Managing Director	 (Sudhir L. Deoras, Managing Director)
Chief, Finance and Accounts	 (S. Brahma, Chief, Finance & Accounts)
Audit Committee Chairman	 (Dipankor Chatterji, Chairman-Audit Committee)
Place: KOLKATA Date: MAY 14, 2013 Refer our Audit Report dated May 14, 2013 on the Consolidated financial statements of the Company For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No. 302009E)  R. A. Banga (Partner) (Membership No 37915) Kolkata, May 14, 2013	

Certified to be true copy
For TRF LIMITED



COMPANY SECRETARY